

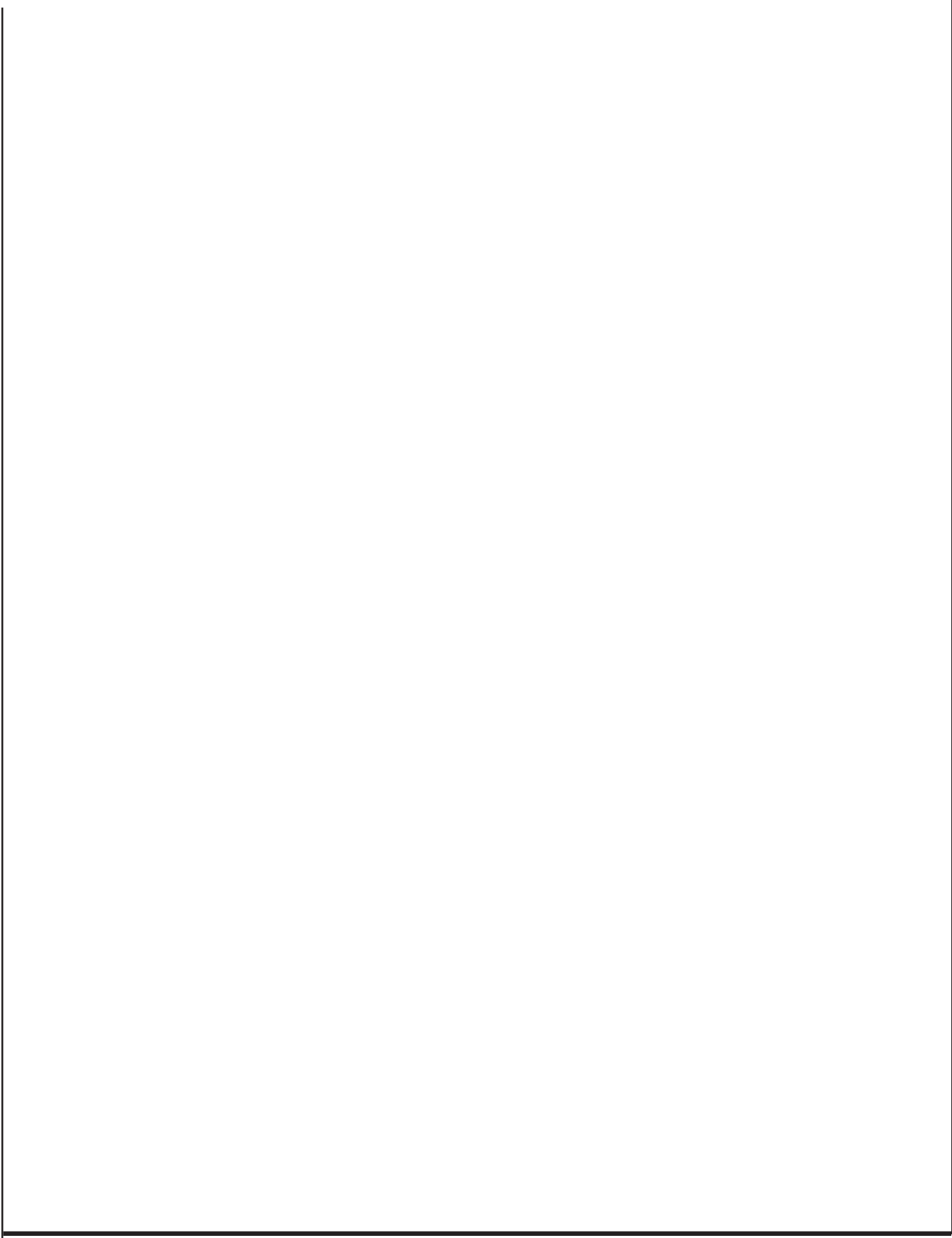
# 2004 Annual Report

## *Arkansas Public Service Commission Utilities Division*



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## SECTION 1 - INTRODUCTION

The Arkansas Public Service Commission (Commission or APSC) has general regulatory authority over electric, gas, telecommunications, water and sewer services which are provided to the public for compensation. The Commission is charged with the duty of ensuring that a public utility charges rates that will allow it the opportunity to earn a fair return on invested capital and that the customer does not pay more than necessary to produce a fair return to the utility for its service.

The Commission does not have regulatory authority over municipally-owned or operated utilities. Additionally, the Commission has limited jurisdiction over small water and sewer utilities and most telecommunications utilities. More specifically, small water and sewer utilities are not subject to Commission jurisdiction unless either the utility or its customers petition the Commission to exercise its regulatory jurisdiction over that utility.

In response to the Federal Telecommunications Act of 1996 which opened telecommunications markets to competition, the General Assembly enacted Act 77 of 1977 which significantly altered the regulation of the telecommunications industry in the state. The rates of most of the Incumbent Local Exchange Carriers (ILECs) in the state are not subject to regulation, however, the Commission continues to regulate the quality of service of all ILECs and Competitive Local Exchange Carriers. Competitive Local Exchange Carriers and Interexchange Carriers must obtain a Certificate of Public Convenience and Necessity from the Commission to provide service in Arkansas and all telecommunications providers must comply with the Telecommunications Provider Rules adopted by the Commission in response to Act 77.

In compliance with Ark. Code Ann. §23-2-315 (2002), the Commission submits an annual report to the Governor during the month of April. This Report focuses on Commission regulatory authority, organization, and activities during 2004. The following sections of this Report describe the agency organization (Section 2); summarize the highlights of Commission proceedings in each of the utility industries (Section 3); describe other non-docketed reviews conducted during 2004 (Section 4); provide information on customer complaint resolution (Section 5); summarize the Commission's efforts in federal utility proceedings (Section 6); and set forth our participation in national utility regulatory organizations (Section 7).

The utilities under the Commission's jurisdiction in 2004 are listed in Appendix A. These utilities generate annual revenues in Arkansas of approximately \$4.7 billion, of which \$3.9 billion are jurisdictional revenues. Details of the revenues for each utility and other utility-specific statistics, as reported to the Commission in 2004 for the year 2003, are included in Appendix B. To finance its regulatory operations, the Commission is authorized to levy and collect an annual fee based proportionally on the gross earnings of each utility. The APSC receipts and disbursements for 2004 are outlined in Appendix C.

This Report is also available on the Commission website [www.arkansas.gov/psc](http://www.arkansas.gov/psc).

## SECTION 2 - AGENCY ORGANIZATION

The APSC consists of three Commissioners appointed by the Governor for overlapping six-year terms. The agency has 114 regular staff positions divided into two Divisions: the Utilities Division and the Tax Division.

The Commissioners have oversight responsibility for both Divisions. This report addresses Utilities Division activities. The Tax Division submits a separate report biennially.

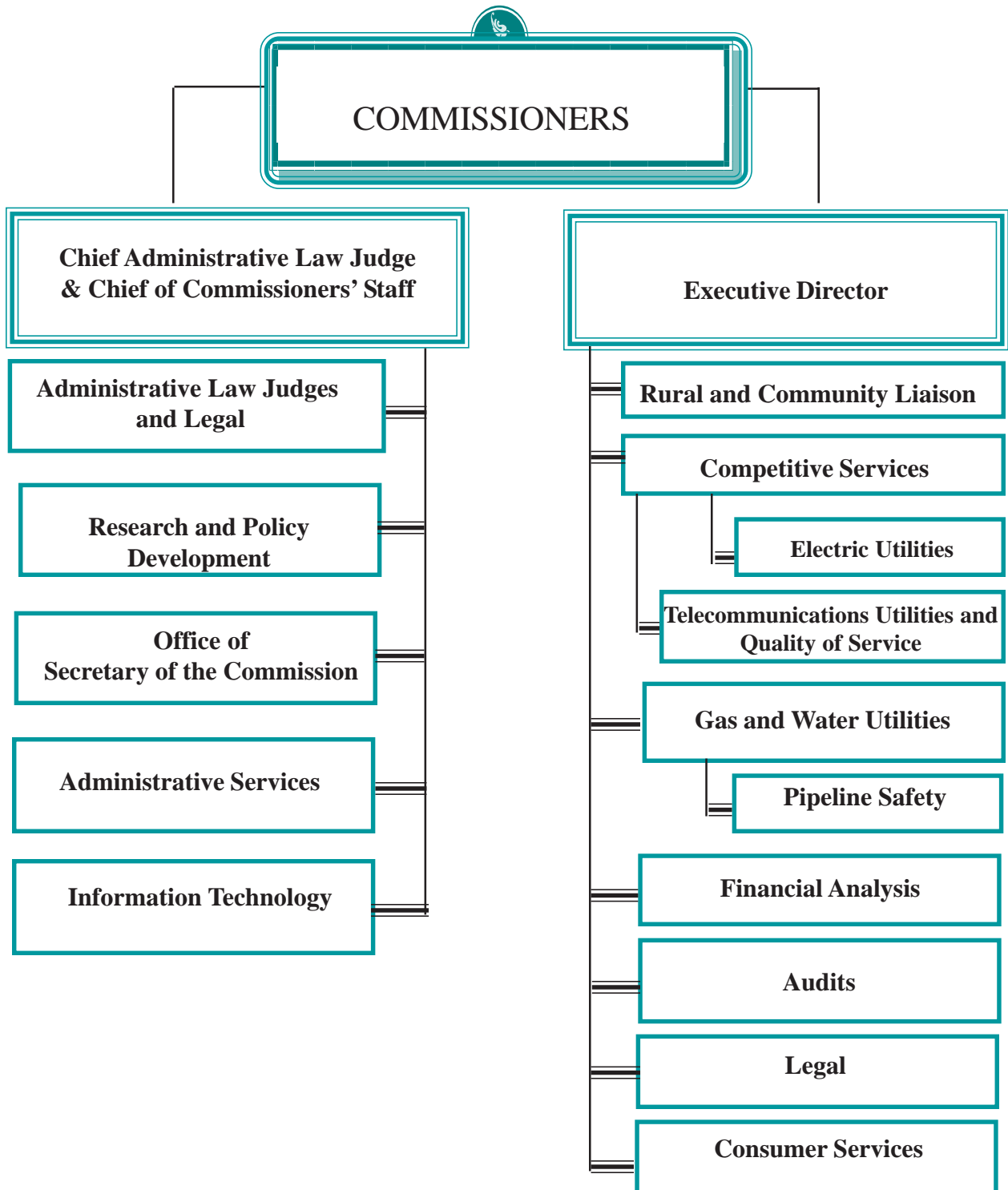
The Utilities Division, including our federally reimbursed Pipeline Safety Office, has 99

authorized regular positions. This total includes the Commissioners and their immediate staff, which encompasses their Administrative Law Judges and Legal Section, Research and Policy Development Section, the Office of the Secretary of the Commission, the Administrative Services Section, the Information Technology Section, and the Executive Director including the seven General Staff Sections. A list of all Sections with their assigned number of positions, the organization chart, and a brief description of the responsibilities of each Section follow.

### Position Summary

<u>Organization Component</u>	<u>Number of Positions</u>
Commissioners .....	3
Commissioners' Staff	
Administrative Law Judges and Legal .....	7
Research and Policy Development .....	6
Secretary of the Commission .....	7
Administrative Services .....	5
Information Technology .....	6
Support Staff .....	2
General Staff	
Executive Director's Office .....	3
Competitive Services	
Electric Utilities .....	9
Telecommunications Utilities .....	3
Quality of Service .....	3
Gas and Water Utilities .....	5
Pipeline Safety .....	7
Financial Analysis .....	7
Audits .....	8
Legal .....	8
Consumer Services .....	10
Total .....	99

# Organization Chart



## **COMMISSIONERS**

With both quasi-legislative and quasi-judicial authority, the Commissioners render decisions covering a wide spectrum of issues including policy matters, rates, tariffs, territory allocations, utility plant construction sitings and bond issues.

The Commissioners' Staff, under the direction of the Chief Administrative Law Judge, is comprised of five Sections: (1) the Administrative Law Judges and Legal Section; (2) the Research and Policy Development Section; (3) the Office of the Secretary of the Commission; (4) the Administrative Services Section; and (5) the Information Technology Section. Responsibilities of each Section are described below.

## **COMMISSIONERS' STAFF**

### **Administrative Law Judges and Legal Section**

This Section is comprised of Administrative Law Judges and attorneys. The Administrative Law Judges render decisions in dockets delegated to them by order of the Commission. Attorneys in this Section also advise and represent the Commission on various state and federal legal matters.

### **Research and Policy Development Section**

This Section, under the supervision of the Director of Research and Policy Development, is the technical arm of the Commissioners' Staff, with personnel specializing in the telecommunications, electric, natural gas, and water industries, as well as in economic, legal, and accounting matters. This Section provides technical and policy advice to the Commissioners in both state and federal proceedings and actively participates as expert witnesses before the Federal Energy Regulatory Commission. This Section also presents testimony and/or comments on behalf of the Commission before the Federal Communications Commission and the Securities and Exchange Commission.

## **Office of the Secretary of the Commission**

All documents filed with the Commission and all orders issued by the Commission are processed by this Office. Official Commission records such as docket files, tariffs, and annual reports are also maintained in this area. This Office provides the public with access to official Commission records either directly as requested or through the Commission's Internet web site.

### **Administrative Services Section**

Staff members assigned to the Administrative Services Section provide administrative support for the Utilities Division. This Section is comprised of two units: the Fiscal/Personnel Office and the Mail/Supply/Copy Center.

Fiscal/Personnel staff members prepare initial budgets; handle purchasing, accounting, inventory control and payroll; assist in developing assessments for the APSC's operating budget; and assist with the Federal Department of Transportation Pipeline Safety Grant. Maintaining personnel records, screening and processing job applicants, conducting new employee orientation, and coordinating employee training and management classes are other functions performed by the Fiscal/Personnel Office.

The Mail/Supply/Copy Center handles internal mail distribution, photocopying, central supplies, and maintenance of the agency vehicle fleet.

### **Information Technology Section (IT)**

IT is the agent for implementing technology solutions to further Commission initiatives. IT supports the entire agency. The primary missions of IT are personal computer and network operations for general office functions such as office automation, electronic mail, internet research, file and print sharing; system development and maintenance for the Tax Division tax assessment systems; and Commission operations support including enhancing electronic communication with external parties and citizens.

## **GENERAL STAFF**

### **Office of the Executive Director**

The Executive Director is responsible for the overall management of the General Staff of the Utilities Division. Staff members in the Utilities Division perform a wide variety of responsibilities which are accomplished through the seven Sections described below. In addition to the members of these seven Sections, the Rural and Community Liaison position also reports to the Executive Director. The liaison is actively involved in community outreach and educational programs for community, business, and customer groups across the State.

### **Competitive Services**

Competitive Services monitors and evaluates issues and policies as they relate to the electric and telecommunications industries. Staff members in the Electric Utility Section and the Telecommunications and Quality of Service Section provide analytical and technical support in this effort. This group is involved in evaluating the impact of FCC and FERC initiatives and decisions on Arkansas utilities' policies, rates, service reliability, and quality of service and providing information to the Commission regarding the costs and benefits of implementing such federal regulatory commission initiatives. In addition, Staff members are responsible for developing regulations and guidelines necessary to implement state and federal legislative mandates.

### **Electric Utilities Section**

The Electric Utilities Section monitors the activities, operations, costs, and earnings of the four investor-owned and eighteen rural electric cooperatives under the Commission's jurisdiction. Section responsibilities cover all aspects of utility regulation and include determination of revenue requirement, rate design, accounting and finance. Each member of the Section identifies issues, analyzes the impact of those issues on the utility and the ratepayer, and develops and presents expert testimony before the Commission. The Section also conducts compliance audits for utilities with

approved automatic adjustment clauses. Members of this Section perform special project analyses, conduct general and special issue audits and investigations, and provide technical evaluations relating to customer complaints.

### **Telecommunications Utilities and Quality of Service Section**

The Telecommunications and Quality of Service Section is responsible for certification, rate, financial, accounting, technical, and quality of service matters specific to the telecommunications industry and is responsible for power line construction certification, technical, and quality of service matters specific to the electric industry.

Staff members interact with both investor-owned and cooperative electric utilities, local exchange carriers, interexchange carriers, pay telephone service providers and the public. That interaction is necessary to be responsive to changes in the industries, introduction of new services, effects of federal regulatory actions and questions and service problems of the public. This Section conducts an ongoing evaluation of the quality of service provided by both electric utilities and local exchange carriers in Arkansas. That evaluation measures the utilities' performance against the Commission's General Service Rules and Special Rules - Electric and the carriers' performance against the Commission's Telecommunications Providers Rules and is administrated to ensure that each utility and carrier is evaluated at least once every two years.

### **Gas and Water Utilities Section**

The Natural Gas and Water Utilities Section has two distinct functions. Natural Gas and Water Staff members primarily focus on financial and rate matters concerning natural gas, water and sewer utilities. They must understand and evaluate the complex rate structures and the earnings requirements of the three natural gas utilities, four water utilities, and one sewer utility currently under the Commission's jurisdiction. They also conduct compliance audits for utilities with approved automatic adjustment clauses.

This Section also contains the Pipeline Safety Office. The role of the Pipeline Safety Office



members is to ensure that natural gas operators are in compliance with the Arkansas Gas Pipeline Code. Compliance is determined through periodic inspections of safety, corrosion, and leakage control which are performed on 27 intra-state natural gas operators and 184 operators covering 336 master-metered gas systems.

### **Financial Analysis Section**

The Financial Analysis Section performs various financial and economic analyses, evaluates depreciation rates and capital recovery issues, assesses the required rate of return and other financing issues for jurisdictional utilities, participates in all rate case proceedings and reviews of earnings levels, conducts focused investigations, and develops Staff's position on various regulatory issues, including nuclear decommissioning and mergers. Staff personnel specialize in utility industries as well as economic, financial, and accounting matters. Each member of the Section presents recommendations to the Commission through pre-filed expert testimony, oral testimony, and cross-examinations during public hearings.

### **Audits Section**

The Audits Section participates in all rate case proceedings. Section staff members conduct extensive reviews, audits, and analyses of rate case applications; conduct ongoing reviews of the earnings levels of public utilities; evaluate transactions between regulated utility companies and their affiliates; and conduct compliance audits.

### **Legal Section**

Attorneys on the General Staff perform a dual function at the Commission. They represent the Staff in proceedings before the Commission and represent the Commission in matters and proceedings outside the Commission, such as appellate cases and appearances before federal regulatory commissions. Additionally, Legal Section attorneys act as Commission hearing officers in certain designated dockets.

### **Consumer Services Section**

The Consumer Services Section works with customers to answer questions and resolve complaints about the rates and services of regulated utilities. Staff members review all complaints for compliance with APSC rules and approved utility tariffs and act as liaisons with utilities in resolving those complaints. This Section also provides educational brochures and materials and makes group presentations as needed.

Another responsibility of the Consumer Services Section is customer service audits of jurisdictional utility companies. The audits consist of a thorough review of utility policies and procedures. The objective is the identification of opportunities for improvement, and recommendations are often made to ensure compliance with Commission Rules. Upon request, Staff members will conduct rules training sessions for utility personnel.

### **Rural and Community Liaison**

The Rural and Community Liaison serves as a communications link between the Commission and utility customers in Arkansas, particularly those in rural areas. The Liaison is responsible for providing information to communities and utility customers concerning utility matters within the jurisdiction of the Commission. The Liaison is also responsible for identifying questions and concerns that utility customers may have concerning utility issues and communicating those concerns to the Commissioners and the Commission Staff. The Liaison works with stakeholders in rural areas and communities, including legislators, civic and community leaders, customers and customer groups, and utility personnel.

During the past year, the Liaison has made 159 visits into 69 communities in 50 counties regarding utility matters and issues pending before the Commission. The Commissioners and the Executive Director have also participated in this community outreach effort visiting with community leaders throughout the State. Through these efforts, the Commissioners and Staff continue to gain a better understanding of customers' needs and what type of information is necessary to provide answers to their utility questions and concerns.

## SECTION 3 - DOCKET SUMMARY & HIGHLIGHTS

As shown in the tables below, 176 new dockets were initiated during 2004 and 598 orders issued. Highlights of the significant proceedings for each industry during 2004 follow.

**2004 Docket Activity Summary**

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Total
<b>New Dockets</b>	21	12	22	9	25	8	12	10	13	17	14	13	176
<b>Filings</b>	249	226	324	208	298	229	190	132	268	185	238	214	2,761
<b>Hearings</b>	5	0	0	1	3	4	2	2	0	1	1	2	21
<b>Hearing Days</b>	5	0	0	1	3	4	2	2	0	1	1	2	21

**Summary Schedule of Orders Issued In 2004**

Order Type	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Total
<b>Electric</b>	14	7	12	9	16	9	9	5	15	8	22	26	152
<b>Gas</b>	4	9	12	9	12	9	4	4	10	3	18	4	98
<b>Telephone</b>	42	31	30	19	34	18	12	17	54	26	18	30	331
<b>Water</b>	0	0	0	1	0	1	2	0	0	0	0	0	4
<b>Sewer</b>	0	0	0	1	0	1	2	0	0	0	0	0	4
<b>Other</b>	2	2	0	1	0	1	0	0	0	2	0	1	9
<b>Total</b>	62	49	54	40	62	39	29	26	79	39	58	61	598

# Industry Highlights

## Electric Industry

In compliance with Section 17 of The Electric Utility Regulatory Reform Act of 2003 (Act 204) which repealed and amended various statutes that had previously been enacted to provide for retail electric competition, the Commission initiated a generic proceeding in April 2004, for the purpose of receiving comments focused on whether a successful, statewide Large User Access Program could be implemented without causing cost-shifting to any other classes of customers. In July 2004 the Commission held a collaborative meeting to solicit input and collect data from various parties in order to develop its report. Upon consideration of the information received and its own experience regarding electric competition issues, the Commission reported to the General Assembly that it would not be feasible to implement a Large User Access Program at the present time without shifting costs to other classes of customers.

In November 2003, Entergy Arkansas, Inc. (EAI) filed a Supplemental Application For Recovery of Transition Cost Rider to recover \$11.2 million in total accumulated transition costs through a transition cost surcharge to be collected over an eighteen month recovery period. The Commission subsequently ruled that EAI be allowed to recover, beginning in October 2004, only \$8.5 million in qualified transition costs from Arkansas retail ratepayers.

Two investor-owned electric utilities filed for a general rate increase in 2004. The Empire District Electric Company filed to increase its rates by approximately \$1.4 million, or thirty-two percent. Arkansas Electric Cooperative Corporation filed to increase its rates by approximately \$15.6 million, or five percent. Both cases are pending before the Commission.

Two distribution electric cooperatives filed to increase their rates under Act 821 of 1987 which allows the cooperatives to implement rate increases

of ten percent or less after giving ninety days notice to their customers and the Commission. Ozarks Electric Cooperative Corporation filed to increase its rates by approximately \$1.2 million and Farmers Electric Cooperative Corporation filed to increase its rates by approximately \$376,000.

In June 2001, the Louisiana Public Service Commission and the City of New Orleans filed a complaint at the Federal Energy Regulatory Commission (FERC) asserting that the “rough equalization” of production costs among the Entergy operating companies had changed and needed to be reset. In February 2004, the Presiding Judge issued his Initial Decision. The decision, if upheld, could result in significant cost shifts to Arkansas ratepayers. In light of the Presiding Judge’s Initial Decision, as well as prior FERC rulings which resulted in costs being shifted to Arkansas ratepayers, the Commission initiated several investigative and show cause proceedings. The Commission established an investigative proceeding for the purpose of considering (1) whether EAI’s continued participation in the Entergy System Agreement is in the best interest of its ratepayers; and (2) what steps can be taken by EAI and the Commission to protect EAI’s ratepayers from future attempts by Louisiana, or any other Entergy retail regulator, to shift its high costs to Arkansas. In addition, the Commission initiated a docket for the purposes of investigating Entergy Louisiana, Inc.’s (ELI) Vidalia Contract which costs, based on the Presiding Judge’s decision, may be shifted to EAI’s Arkansas ratepayers. The Commission also initiated a show cause docket directing EAI (1) to show cause why the Commission should not issue an order requiring EAI to indemnify, or hold harmless, its retail ratepayers from any adverse financial effects to which they may be exposed as a result of ELI’s acquisition of the Perryville generation facility; or (2) in the alternative, to establish by clear, persuasive, and substantial evidence that the Perryville acquisition will produce economic benefits for EAI’s retail ratepayers.

In the aftermath of the August 2003 massive wide-spread electric power blackout that affected large portions of the Northeast and Midwest United States and Ontario, Canada, the United States and Canadian Governments as well as several states opened investigations to assess the causes of the blackout and to make recommendations that could reduce the possibility of future outages. In March 2004, the FERC made available the Utility Vegetation Management Final Report. The Report detailed the vegetation management problems which contributed to the blackout and the critical role of proper vegetation management practices on reliability of the electric system. In order to investigate and ascertain the reliability of electric transmission and distribution facilities in Arkansas, as well as identify any potential areas of concern that may require further investigation or rulemaking, the Commission established, in May 2004, an investigative docket to gather information from jurisdictional electric utilities regarding vegetation management practices and system reliability indices.

In October 2003, Entergy requested the Nuclear Regulatory Commission (NRC) extend the license for its ANO Unit 2 for twenty years. Entergy's request is currently pending before the NRC, with a scheduled decision date of August 2005. In 2001, the NRC granted Entergy's request to extend the license for ANO Unit 1 for twenty years. The Commission suspended the collection of decommissioning funds effective January 1, 2001 and annually reviews the status of license extension and the continued adequacy of the decommissioning trust funds. As of December 31, 2004, the amounts collected and held in external trusts had a market value of \$391 million.

In 2004, the FERC conditionally granted the Southwest Power Pool (SPP) status as a regional transmission organization (RTO). As an RTO, the SPP may oversee the day to day operations of the transmission facilities within the region, including Arkansas. Participation by Arkansas jurisdictional utilities in the SPP RTO is subject to Commission approval. In October 2004, the SPP filed an application for a Certificate of Public Convenience and Necessity to transact the business of an electric public utility in the State

of Arkansas to the extent that it will be asserting functional control over transmission assets of Arkansas utilities that are members of SPP. Oklahoma Gas and Electric Company and Southwestern Electric Power Company filed applications with the Commission for approval to participate in the SPP RTO. These RTO matters are pending before the Commission while a study of the costs and benefits of SPP members transferring functional control of, or operational authority over, their transmission facilities to SPP is conducted. In a related matter, the Commission initiated a docket to investigate whether EAI's participation in an Entergy-only independent transmission system administrator structure as compared to its participation in the SPP RTO is consistent with the State's interests.

In other electric utility matters before the Commission, the Commission ordered EAI to implement certain ratepayer protection mechanisms designed to protect Arkansas ratepayers from any adverse consequences of the Power Purchase Agreements by which EAI would transfer certain of its electric generation capacity to other entities. In addition, EAI filed a Petition for Declaratory Order to confirm the Company's application of the calculation of avoided cost as consistent with the Commission's Cogeneration Rules and applicable state and federal statutes.

## Gas Industry

Pursuant to the Commission's Natural Gas Procurement Plan Rules, Staff reviewed the gas supply portfolios of all Arkansas natural gas utilities. These Rules were designed to guide all of the natural gas utilities in their purchasing decisions and directed the natural gas utilities to develop diversified gas supply portfolios. After an evaluation of the gas supply portfolios, Staff determined that all three natural gas utilities had developed plans that were consistent with these Rules.

Because of its concern about historically high gas prices, the Commission established dockets to determine if the gas costs reflected in the Scheduled Winter Cost of Gas filings were reasonable and to track the under/over recovery of those gas costs through the winter heating season. Since the submission of the Scheduled Winter COG filings,

both CenterPoint Energy Arkla (Arkla) and Arkansas Western Gas (AWG) filed proposing to lower their cost of gas rates. After a Staff evaluation, the Commission approved Arkla's and AWG's requests.

In late 2004, two natural gas distribution utilities filed applications for rate increases. Arkla filed an application for a rate increase of approximately \$34 million. AWG filed an application for a rate increase of approximately \$9,739,000. Following its investigation, Staff will file written testimony and exhibits containing its recommendations. Public hearings are scheduled for August and September 2005, respectively. Also in late 2004, Arkansas Oklahoma Gas (AOG) gave notice of its intent to seek a rate increase in 2005. A public hearing is scheduled for November 2005.

In late 2002, a docket was opened to investigate the purchased gas cost issues severed from AOG's last rate case. The purpose of the docket was to determine whether AOG's gas purchasing practices were reasonable and in compliance with applicable law. In particular, Staff proposed to investigate whether AOG was purchasing gas from the lowest or most advantageous market as required by Ark. Code Ann. §23-15-103. After an in-depth evaluation of AOG's purchasing practices, Staff, advised by its consultant, concluded that there were no overpayments and that no further action was warranted. In 2004 a public hearing was held. Subsequently, the Commission found AOG's purchasing practices have been in compliance with Arkansas law for the entire review period, August 1997 - August 2003 and that AOG's 2003-2004 Gas Purchasing Plan was consistent with the Commission's Natural Gas Procurement Plan Rules. Later in 2004, AOG requested approval to re-implement a weather normalization adjustment mechanism. After a Staff review which found there had not been adverse customer reaction to AOG's expired WNA Rider, the Commission approved AOG's request.

Early in 2004, Arkla filed a docket concerning certain upstream supply contracts with its affiliate, CenterPoint Energy Gas Transmission. These contracts represent the majority of Arkla's upstream supply costs. Arkla requested that the

Commission approve its proposal to renegotiate these contracts and the resulting outcome. After the filing of written prefiled testimony, the Commission approved the renegotiated Arkla-CEGT upstream services contracts.

In an attempt to avoid or reduce by-pass of Arkla's system, twelve dockets were initiated by Arkla pursuant to the Commission's Promotional Practice Rules. Under these Rules, Arkla is allowed to negotiate transportation service contracts with individual customers. Generally, the negotiated contracts contain rates that are lower than Arkla's tariffed rates. Staff evaluated all the requests using the requirements of these Rules and subsequently the Commission approved the requests.

Also in early 2004, Arkansas Tech University filed a formal complaint against Arkla regarding certain billing issues. Before the dispute came before the Commission, Arkansas Tech withdrew its complaint and the docket was closed.

In 2004, Staff initiated a proceeding that caused Logan Township Gas Users Association, Inc., a small gas utility serving approximately 70 customers in and around the community of Prairie View in northeast Logan County, to become licensed as a public utility. Staff assisted Logan Township in obtaining a certificate of public convenience and necessity to operate as a natural gas utility subject to the Commission's regulatory authority.

### Telecommunications Industry

Of the 176 new dockets filed with the Commission, 99 were telecommunications cases. The number of competitive local exchange carriers (CLECs) continued to grow. Ten entities filed applications for authority to operate as CLECs and eight of those were authorized. Thirteen CLEC applications filed in 2003 were approved in 2004. The number of authorized CLECs, at 123, exceeds the number of incumbent local exchange carriers (ILECs) at 30. One CLEC is also an ILEC and six CLECs are affiliated with 19 ILECs.

While most CLECs operate in the territory of SBC Arkansas, at least 31 CLECs have approved interconnection agreements to operate in the territories of the two largest CenturyTel ILECs, and at least 50 CLECs have approved interconnection



agreements to operate in the territories of 14 rural ILECs. There were 33 new interconnection agreements approved in 2004 including 15 CLECs adopting SBC Arkansas' A2A interconnection agreement.

During 2004, 15 entities filed applications to become Interexchange Carriers (IXCs) and 14 of those were approved. In addition, six applications for IXC status filed in 2003 were approved in 2004. There were no new applications for Private Pay Telephone Providers (PPTPs). There are currently 228 IXCs and PPTPs licensed to do business in Arkansas.

Act 1764 of 2003 required the Commission to establish rules dealing with requests for Extended Area Service (EAS) for an exchange or exchanges. EAS is a mandatory fixed rate service that provides customers with unlimited local calling that is not part of basic local exchange service. In 2004 the Commission adopted rules that will allow customers to petition for EAS or by a resolution of the customers' quorum court or other governing body.

Southwestern Bell Telephone, L.P., d/b/a SBC Arkansas (SBC) filed an application to set rates for Unbundled Network Elements (UNEs), asking the Commission convene a proceeding to determine the proper rates for SBC to assess CLECs using SBCs unbundled loop facilities. The Commission set a procedural schedule in Docket No. 04-109-U for the parties to file testimony and for a public hearing to be held in August 2005.

The Federal Communications Commission (FCC) issued its Triennial Review Order in 2003 dealing with unbundling obligations of ILECs. The D.C. Circuit Court in USTA II upheld parts of the FCC Order but remanded and vacated several components of it. The FCC was required to develop new unbundling rules as a result of the Court Order. In December 2004, the FCC issued new rules dealing with the issues as required by the D.C. Court's Order on Remand.

During 2004, there were five complaint dockets filed by CLECs doing business in Arkansas under Interconnection Agreements (IAs) approved by the Commission. The issues of these complaints dealt with certain provisions of their IAs such as provisioning of unbundled network elements, billing disagreements and other tariff problems. Of the five complaints only one remains unsolved in 2005.

## Water & Sewer Industry

In September 2003, United Water Arkansas, Inc., the largest water utility regulated by the Commission, filed an application for a rate increase of appropriately \$1,650,000. Staff investigated the application and filed written testimony and exhibits containing its recommendations. A public hearing was held in Pine Bluff that gave United Water's customers an opportunity to comment on the proposed rate increase and other matters. The Commission approved rate increase of appropriately \$921,000 went into effect at the end of July 2004.

## SECTION 4 - COMMISSION REVIEW OF UTILITY OPERATIONS

In addition to performing investigations in conjunction with dockets initiated at the Commission, General Staff conducts ongoing investigations of natural gas pipeline safety, utility quality of service, and the use of automatic recovery mechanisms, as outlined below.

### Electric Quality of Service Reviews

Staff members perform quality of service inspections of the electric cooperatives and investor-owned utilities to ensure compliance with the Commission's General Service Rules and its Special Rules - Electric. Quality of service is measured against the standards established by the Commission in those rules. The standards cover items such as the acceptable range of secondary voltages provided to customers, the minimization of electrical conductive and inductive effects, and the mapping and maintenance of transmission and distribution facilities including pole identification, right-of-way clearing and substation record keeping. Staff members also examine complaint and outage records, meter testing facilities and utility equipment.

In 2004, nine quality of service reviews were conducted on seven electric cooperatives and two investor-owned utility. Additionally, Staff members provided technical assistance investigating consumer complaints of inadequate service.

### Gas Pipeline Safety Inspections

Pursuant to an agreement with the U. S. Department of Transportation and the authority granted by the Arkansas Natural Gas Pipeline Safety Act of 1971, the Commission's Pipeline Safety Office inspected numerous intrastate natural gas operators and master metered gas systems for quality control of operating safety, gas leakage, and

the control of corrosion. The inspections evaluate gas operators' compliance with the Arkansas Gas Pipeline Code. Accidents related to natural gas are investigated and reports are prepared to ensure compliance with all Commission standards of quality and safety. During 2004, Pipeline Safety Staff performed 49 pipeline safety inspections and 126 inspections of master metered systems. Corrections of reported deficiencies are monitored until they are completed. In addition to required inspections, Pipeline Safety Staff provided technical assistance investigating customer complaints of inadequate service quality.

### Telecommunications Quality of Service Reviews

Staff conducts ongoing evaluations of the quality of service provided by both incumbent and competitive local exchange carriers in Arkansas. The Commission's Telecommunications Providers Rules establish standards in areas which include: (1) noise and loss associated with customer lines and network circuits; (2) capacity and operations of switching machines; (3) methods and quality of new construction; (4) responses to requests for service connection; (5) restoration of service; and (6) general maintenance of facilities. An evaluation of each company is conducted at least once every three years to compare their performance against these standards.

During 2004, quality of service reviews were conducted in 129 exchange areas of 10 incumbent local exchange carriers and in areas served by two competing local exchange carriers. Staff members reviewed maintenance programs and conducted service tests and inspections of both central office and outside plant operations, and of transmission quality. Where deficiencies were found, each company submitted corrective action reports to correct the noted problems. Follow-up reviews were conducted as required to ensure

problems were corrected and performance was improved. Additionally, Staff members provided technical assistance investigating consumer complaints of inadequate service.

### **Compliance Audits**

Under the authority of Ark. Code Ann. §23-4-108, public utilities apply Commission-approved automatic adjustment clauses to certain charges collected from ratepayers. Electric and gas utilities currently apply automatic adjustments to the charges recovered from their ratepayers for the cost of fuel, electric distribution cooperatives for the cost of debt, and water utilities for the cost of pumping.

The General Staff's audit procedures ensure that the adjustment amounts and their recovery are in compliance with the utilities' tariffs as approved by the Commission. The audit procedures meet the requirements of Section 115 (e) of the Public Utility Regulatory Policies Act (PURPA) of 1978, which require that automatic adjustment clauses be reviewed "not less than every two years". In addition to the biennial review required by PURPA, the General Staff conducts monthly and quarterly desk audits of all cost of fuel, cost of debt, and cost of pumping water adjustments.

During 2004, the General Staff completed 121 desk audits. Additionally, Staff initiated audits of the Temporary Low Income Customer Gas Reconnection Program resulting in an approximate \$2,365,000 credit to customers.



## Section 5 - Consumer Services

### Informal Customer Complaints and Inquiries

During 2004, 43,522 Arkansas customers contacted Consumer Services regarding utility issues. Of the 43,522 contacts, 3,625, or 8%, were classified as informal complaints. Nineteen percent of the contacts were customers requesting information or referral to another agency. Referrals to utilities, 25% of the contacts, were made consistent with the requirement of Ark. Code Ann. §23-3-119, which provides that “every complainant shall, before filing a complaint, make a good faith effort to informally resolve with the respondent the situation complained of.”

Although complaints represent only 8% of all contacts through Consumer Services, they require significant amounts of time and resources. Complaints involve numerous contacts with utility personnel and General Staff members, as well as extensive research to ensure compliance with Commission rules and approved tariffs. Many also require additional technical analysis, field investigation, and written reports. Billing complaints continue to represent the greatest portion of complaints for each industry, followed by complaints regarding service quality and requests for service.

### Formal Complaints

During 2004, six formal complaints were filed with the Commission. Arkansas Tech University filed a formal complaint against Arkla regarding certain billing issues. Before the dispute came before the Commission, Arkansas Tech withdrew its complaint and the docket was closed.

Five complaint dockets were filed by CLECs doing business in Arkansas under Interconnection Agreements (IAs) approved by the Commission. The issues of these complaints dealt with certain provisions of their IAs such as provisioning of unbundled network elements, billing disagreements and other tariff problems. Of the five complaints only one remains unsolved in 2005.

### Consumer Services Review of Compliance with APSC General Service Rules and Telecommunications Providers Rules

Compliance inspections regarding specific issues were performed on one electric utility, two gas utilities, and one local exchange telephone company. These inspections resulted in corrective action being taken by the utilities in response to the findings made by Staff. Additionally, Staff members conducted intensive training on the Commission’s rules for utility personnel at one gas utility.

### Other Dockets

In 2004, Consumer Services participated in five proceedings before the Commission. These proceedings involved changes in utility fees, charges, procedures, and requests for exemptions from specific Commission rules.

# Informal Customer Complaint Summary

The following tables provide the total written and verbal informal complaints by type and by industry:

**Year Ended December 31, 2004**

## Written Informal Complaints

Type	Telephone	Electric	Gas	Water	Other	Total
Billing	169	76	61	3	1	310
Service Quality	19	11	2	0	0	32
Service Requests	12	7	3	0	0	22
Slam	51	0	0	0	1	52
NonJurisdictional	10	6	2	0	1	19
Miscellaneous	22	3	2	0	14	41
<b>Total</b>	283	103	70	3	17	476

## Verbal Informal Complaints

Type	Telephone	Electric	Gas	Water	Other	Total
Billing	837	667	538	22	0	2,064
Service Quality	239	95	36	2	0	372
Service Requests	110	81	86	1	0	278
Slam	342	0	0	0	1	343
NonJurisdictional	31	14	5	0	2	52
Miscellaneous	23	9	5	1	2	40
<b>Total</b>	1,582	866	670	26	5	3,149
<b>Total Complaints</b>	1,865	969	740	29	22	3,625

### 2004 Electric Industry Infomal Complaints

	Arkansas	Complaints	Company	Company	Company		Complaints
Company	Customers	To APSC	Action	Action	Action	Misc.	Per 1000
			Correct	Incorrect	Modified		Customers
Arkansas Electric Coop. Corp.	18	0	0	0	0	0	0.00
Ark. Valley Electric Coop. Corp.	47,713	24	12	2	9	1	0.50
Ashley-Chicot Electric Coop., Inc.	5,063	4	1	2	1	0	0.79
C & L Electric Coop. Corp.	20,527	11	6	2	2	1	0.54
Carroll Electric Coop. Corp.	61,094	13	8	1	3	1	0.21
Clay County Electric Coop. Corp.	12,163	6	4	1	0	1	0.49
Craighead Electric Coop. Corp.	26,791	10	6	0	2	2	0.37
Empire District Electric Co.	3,889	2	0	1	0	1	0.51
Entergy Arkansas, Inc.	662,205	628	307	96	192	33	0.95
Farmers Electric Coop. Corp.	5,347	1	1	0	0	0	0.19
First Electric Coop. Corp.	72,347	74	41	7	19	7	1.02
Mississippi County Electric Coop.	4,300	0	0	0	0	0	0.00
North Ark. Electric Coop., Inc.	32,706	8	4	0	2	2	0.24
Oklahoma Gas & Electric	61,345	95	58	11	19	7	1.55
Ouachita Electric Coop. Corp.	9,393	4	4	0	0	0	0.43
Ozarks Electric Coop. Corp.	43,975	21	14	2	4	1	0.48
Petit Jean Electric Coop. Corp.	18,233	3	3	0	0	0	0.16
Rich Mountain Electric Coop., Inc.	7,393	0	0	0	0	0	0.00
South Central Ark. Electric Coop.	9,633	4	3	0	1	0	0.42
Southwest Ark. Electric Coop. Corp.	24,317	3	2	0	1	0	0.12
Southwestern Electric Power Co.	105,086	56	33	8	13	2	0.53
Woodruff Electric Coop. Corp.	18,481	2	1	0	0	1	0.11
TOTALS	1,252,019	969	508	133	268	60	N/A

### 2004 Gas Industry Informal Complaints

<b>Company</b>	<b>Arkansas Customers</b>	<b>Complaints To APSC</b>	<b>Company Action Correct</b>	<b>Company Action Incorrect</b>	<b>Company Action Modified</b>	<b>Misc.</b>	<b>Complaints Per 1000 Customers</b>
Arkansas Oklahoma Gas Corp.	47,040	43	30	6	3	4	0.91
Arkansas Western Gas Co. (Northwest and Northeast Ark. Regions)	138,939	24	16	3	4	1	0.17
Centerpoint Energy Arkla	400,393	673	395	80	173	25	1.68
<b>TOTALS</b>	<b>586,372</b>	<b>740</b>	<b>441</b>	<b>89</b>	<b>180</b>	<b>30</b>	<b>N/A</b>

### 2004 Water and Sewer Industry Informal Complaints

<b>Company</b>	<b>Arkansas Customers</b>	<b>Complaints To APSC</b>	<b>Company Action Correct</b>	<b>Company Action Incorrect</b>	<b>Company Action Modified</b>	<b>Misc.</b>	<b>Complaints Per 1000 Customers</b>
Riviera Utilities of Ark. Inc.	578	1	1	0	0	0	1.73
Sebastian Lake Public Utility Co.	95	0	0	0	0	0	0.00
Shumaker Public Service Corp.	550	0	0	0	0	0	0.00
United Water Arkansas, Inc.	18,678	28	20	3	3	2	1.50
<b>TOTALS</b>	<b>19,901</b>	<b>29</b>	<b>21</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>N/A</b>

**2004 Telephone Industry - Incumbent Local Exchange Carriers (ILEC)  
Informal Complaints**

<b>Company</b>	<b>Arkansas Access Lines *</b>	<b>Complaints To APSC</b>	<b>Company Action Correct</b>	<b>Company Action Incorrect</b>	<b>Company Action Modified</b>	<b>Misc.</b>	<b>Complaints Per 1000 Customers</b>
Alltel Arkansas, Inc.	106,220	37	10	18	5	4	0.35
Ark. Telephone Co., Inc.	8,791	1	1	0	0	0	0.11
Central Ark. Telephone Coop., Inc.	3,248	0	0	0	0	0	0.00
CenturyTel **	257,538	289	127	67	67	28	1.12
Cleveland County Telephone Co., Inc.	3,769	2	0	1	1	0	0.53
Decatur Telephone Co., Inc.	1,319	0	0	0	0	0	0.00
E. Ritter Telephone Co. dba Ritter Telephone Company	4,838	0	0	0	0	0	0.00
Lavaca Telephone Co. Inc. dba Pinnacle Communications	1,834	1	1	0	0	0	0.55
Madison County Telephone Co.	3,856	1	0	0	1	0	0.26
Magazine Telephone Co.	1,062	0	0	0	0	0	0.00
Mountain View Telephone Co.	7,641	1	0	0	0	1	0.13
Northern Ark. Telephone Co., Inc.	7,842	10	6	1	1	2	1.28
Ozark Telephone Co. of Missouri	132	0	0	0	0	0	0.00
Prairie Grove Telephone Co.	9,800	2	1	0	1	0	0.20
Rice Belt Telephone Co., Inc.	1,014	0	0	0	0	0	0.00
Scott County Telephone Co., Inc.	118	0	0	0	0	0	0.00
South Ark. Telephone Co., Inc.	3,948	0	0	0	0	0	0.00
Southwest Ark. Telephone Coop., Inc.	5,892	4	2	0	1	1	0.68
Southwestern Bell Telephone Co.	826,817	544	202	158	140	44	0.66
Tri-County Telephone Co., Inc.	6,751	0	0	0	0	0	0.00
Valor Telecommunications of TX, LP	17,383	2	0	1	1	0	0.12
Walnut Hill Telephone Co.	5,753	0	0	0	0	0	0.00
Yelcot Telephone Co., Inc.	4,179	1	1	0	0	0	0.24
Yell County Telephone Co.	5,772	1	1	0	0	0	0.17
<b>TOTALS</b>	<b>1,295,517</b>	<b>896</b>	<b>352</b>	<b>246</b>	<b>218</b>	<b>80</b>	<b>N/A</b>

\*Access lines based on 2003 Annual Reports

\*\*Includes All CenturyTel Companies

**2004 Telephone Industry - Competitive Local Exchange Carriers (CLEC)  
Information Complaints**

<b>Company</b>	<b>Arkansas Access Lines *</b>	<b>Complaints To APSC</b>	<b>Company Action Correct</b>	<b>Company Action Incorrect</b>	<b>Company Action Modified</b>	<b>Misc.</b>	<b>Complaints Per 1000 Customers</b>
Adelphia Business Solutions Investment, LLC	4,315	1	0	0	0	1	0.23
AMERITEL Arkansas, Inc.	N/A	9	1	3	2	3	N/A
AT&T Communications of the Southwest, Inc.	N/A	305	104	103	85	13	N/A
Basic Phone, Inc.	246	4	2	2	0	0	16.26
Budget Phone, Inc.	4,291	5	2	2	1	0	1.17
CAT Communications International, Inc	350	2	1	1	0	0	5.71
Comm South Companies, Inc. dba Arkansas Comm South, Inc.	369	2	0	1	1	0	5.42
CommuniGroup of Jackson, Inc.	N/A	4	1	3	0	0	N/A
Covista, Inc.	N/A	1	0	0	1	0	N/A
Delta Phones, Inc.	N/A	1	0	0	0	1	N/A
dPI-Teleconnect, LLC	474	1	0	0	1	0	2.11
E. Ritter Communications, Inc.	610	1	0	1	0	0	1.64
Excel Telecommunications, Inc.	5,532	62	14	36	11	1	11.21
FamilyTel of Arkansas, Inc.	N/A	2	0	1	1	0	N/A
IDT America Corporation	N/A	5	1	2	2	0	N/A
Liberty Phones	355	1	0	1	0	0	2.82
M.L.M. Telecommunications, Inc. dba Ameritel, Your Phone Co.	N/A	1	0	1	0	0	N/A
MCImetro Access Transmission Services Company, LLC*	41,372	166	71	50	40	5	4.01
Navigator Telecommunication, LLC	8,786	7	4	2	1	0	0.80
Robert's Communications	333	1	0	0	1	0	3.00
Sage Telecom, Inc.	N/A	39	23	9	7	0	N/A
SBC Advanced Solutions, Inc.	N/A	48	12	15	15	6	N/A
Southern Telcom Network, Inc. dba STN Long Distance	2,845	14	3	9	1	1	4.92
Sprint Communications Company, LP	347	41	10	18	11	2	118.16
SureTel, Inc.	154	2	1	0	1	0	12.99
Talk America, Inc	76	2	0	1	1	0	26.32
Vantage Telecom, LLC dba NewRoads Telecom, Inc.	3,660	8	3	2	2	1	2.19
VarTec Telecom, Inc.	3,160	31	5	19	7	0	9.81
Western Communications, Inc. dba Logix Communications Corporation	302	1	1	0	0	0	3.31
Xspedius Management Co. of Little Rock, LLC	36,024	1	0	1	0	0	0.03
Z-Tel Communications, Inc.	1,927	4	2	1	0	1	2.08
<b>Totals</b>	<b>115,528</b>	<b>772</b>	<b>261</b>	<b>284</b>	<b>192</b>	<b>35</b>	<b>N/A</b>

\*Includes all MCI and Worldcom Companies

**2004 Telephone Industry - Interexchange Carriers (IXC)  
Private Pay Telephone Providers (PPTS)  
Informal Complaints**

<b>Company</b>	<b>Complaints To APSC</b>	<b>Company Action Correct</b>	<b>Company Action Incorrect</b>	<b>Company Action Modified</b>	<b>Misc.</b>
ACN Communication Services, Inc.	1	1	0	0	0
Advantage Telecommunications Corporation	1	0	0	1	0
Affinity Network, Inc. dba Horizon One Communications dba Quantumlink Communications	1	0	0	0	1
American Telecommunications Systems, Inc.	5	1	1	3	0
Amerivision Communications, Inc. dba Lifeline Communications, Inc.	2	1	1	0	0
Atlas Communications, LTD	1	1	0	0	0
Bell Atlantic Communications, Inc. dba Verison Long Distance	3	1	0	2	0
Business Netwrok Long Distance, Inc.	18	1	12	5	0
Buzz Telecom Corporation	16	12	2	2	0
Coordinated Billing Service	16	7	4	5	0
Enhanced Communications Group	1	0	0	1	0
Evercom Systems, Inc.	2	0	0	0	2
Global Crossing North American Networks, Inc.	4	1	1	0	2
GTC Telecom	1	0	1	0	0
Inter-Tel NetSolutions, Inc.	1	0	1	0	0
Long Distance Consolidated Billing Company	4	4	0	0	0
Main Street Telephone Company	3	3	0	0	0
Matrix Telecom	1	0	0	0	1
Miko Telephone Communications, Inc.	1	0	0	0	1
National Access Long Distance, Inc.	47	1	37	9	0
New Century Telecom, Inc.	18	6	3	9	0
Optical Telephone Corporation	2	0	1	1	0
Peak Communications, Inc.	1	0	0	1	0
Primus Telecommunications, Inc.	1	0	1	0	0
PromiseVision Technology, Inc.	1	1	0	0	0
Quasar Communications Corporation	2	1	0	1	0
Qwest Communications Corporation	8	4	1	2	1
Reduced Rate Long Distance, LLC	1	1	0	0	0
Southwestern Bell Communications Services, Inc. dba Nevada Bell Long Distance dba Pacific Bel Long Distance dba SBC Long Distance dba Southwestern Bell Long Distance	22	8	5	9	0
Tralee Telephone Company, LLC	4	0	1	3	0
U. S. Telecom Long Distance, Inc.	7	5	1	1	0
Zone Telecom, Inc.	1	1	0	0	0
<b>Totals</b>	<b>197</b>	<b>61</b>	<b>73</b>	<b>55</b>	<b>8</b>

## SECTION 6 - FEDERAL AGENCY AND CONGRESSIONAL ACTIVITY

The APSC participates before federal regulatory agencies with a focus on proceedings which affect jurisdictional oversight and cost allocation. The following are the proceedings in which the APSC participated.

### Federal Energy Regulatory Commission (FERC)

#### Rulemaking Dockets

Docket No. RM01-10  
Standards of Conduct for Transmission Providers

Issued in September 2001, FERC proposes new standards of conduct that would apply uniformly to natural gas pipelines and transmitting utilities to govern the relationships between regulated transmission providers and their affiliates. It also broadened the definition of "affiliate." A Technical Conference was held in May 2002. Order 2004 was issued in November 2003 and various motions for rehearing were granted in January 2004. In April 2004, FERC affirmed the legal and policy conclusions of Order 2004 and issued Order 2004-A. In August 2004, FERC issued Order 2004-B in which it addressed requests for rehearing or clarification of Order 2004-A. FERC issued Order 2004-C in December 2004 and permits local distribution systems to hedge on-system sales and clarified the duties of Transmission Function employees. Rehearing of Order 2004-C has been requested.

Docket No. RM01-12  
Standard Market Design and Structure for Electricity

After a series of FERC-sponsored workshops on market design for electricity that were held in 2001, in July 2002 FERC issued a Notice of

Proposed Rulemaking (NOPR) on Standard Market Design (SMD). This NOPR addressed a number of issues including participant funding, resource adequacy requirements, and congestion revenue rights. FERC subsequently issued a White Paper on SMD, the Wholesale Market Platform, in April 2003 and pulled back from some of the proposals contained in the initial NOPR. The SPP and its Regional State Committee are organized along the lines of the White Paper.

Docket No. RM02-1  
Standardizing Generator Interconnection Agreements

Issued in October 2001, as an Advance Notice of Proposed Rulemaking (ANOPR), FERC asked stakeholders to use the ERCOT Standard Interconnection Agreement (IA) as a starting point and try to achieve consensus on a standard for the rest of the country. The NOPR was issued in April 2002. Designed to provide generators with utility-comparable interconnection service, the NOPR would classify all interconnection facilities as generation expense and all network upgrades as transmission expense. The APSC filed comments in which it argues that as a matter of equity in non-retail competition states, costs of transmission upgrades should be assessed on new generators and not rolled into regional transmission rates. The APSC also asks for clarification of the proposed Rule for small generators, interconnecting to the distribution system, whether FERC is pre-empting state jurisdiction by applying the FERC IA. FERC issued Order 2003 as the final rule in July 2003. Responding to motions for clarification, FERC issued Order 2003-A in March 2004. FERC reaffirmed its "higher of" pricing policy whereby the utility may charge the higher of incremental costs or the rolled-in embedded cost, but not both.



Where rolled-in embedded cost is chosen, the utility must credit the interconnecting customer for transmission until the funded upgrade costs are paid back, with interest. The credits apply only to transmission service granted to the newly interconnecting generator. If the company generates from units other than the new generator and the new generator is not generating, it receives no credit. A request for a technical conference was filed in November 2004. In December 2004, Order 2003-B was issued. Order 2003-B reaffirms the objective of the protection of existing transmission customers, including native load, from subsidizing network upgrades required to interconnect merchant generators through the crediting policy for network upgrades. The term for complete reimbursement including interest is now set at no longer than 20 years. Rehearing has been requested.

### Electric Industry

Docket No. EL01-88  
Louisiana Public Service Commission (LPSC) & City of New Orleans (CNO) v Entergy Services, Inc. (ESI)

The LPSC and the CNO filed this complaint in June 2001, as part of the partial settlement arrived at in Docket No. EL00-66. The LPSC and CNO assert that the “rough equalization” of production costs among the Entergy Operating companies has changed over time due to circumstances and needs to be reset. Hearings on the complaint concluded in August 2003. In February 2004, the FERC Administrative Law Judge (ALJ) issued an Order finding that the system agreement is no longer in rough equalization with regard to production costs and that ESI’s strategic supply resource plan will not soon bring about rough equalization. The ALJ proposed a remedy to force each operating company to cover its share of production within a  $\pm 7.5\%$  band each year and within  $\pm 5\%$  band over a three-year rolling average. The Commission is still considering the ALJ’s Order.

Docket No. EC03-131  
Oklahoma Gas & Electric (OG&E)

OG&E filed in August 2003 a Section 203 application to approve a purchase of 77% of the 520 MW NRG McClain power station, which will add 400 MW to OG&E’s generation resources. FERC reviewed the application pursuant to the Merger Policy Statement and finds that the transaction, unless mitigated, will undermine competition. The docket was set for hearing in August 2004 to determine the appropriate mitigation. However, in July 2004, FERC issued an order suspending the procedural schedule and approving a contested settlement offer, subject to Commission modification.

Docket No. ER03-583 et. al.  
Entergy Services, Inc. (ESI)

Beginning in March 2003, ESI filed a series of requests to approve a number of power purchase agreements (PPAs) involving the Entergy Operating Companies, ESI and Entergy Wholesale Marketing. Among others, these PPAs include the sale of 51 MW from the Entergy Power, Inc. share of the Independent Steam generating (ISES) unit to Entergy Louisiana and 51MW from the same generating plant to the Entergy New Orleans. In May 2003, FERC issued an order accepting and suspending the PPAs, subject to refund, establishing hearing procedures and consolidating all four dockets. Hearings were subsequently begun in July and continued through November 2004.

Docket No. ER03-1272  
Entergy Services, Inc. (ESI)

ESI, as agent for the Entergy Operating Companies, including Entergy Arkansas, Inc., filed in August 2003 a proposed transmission tariff revision to implement an Available Flowgate Capability (AFC) method for short-term transmission requests to replace the present method of Generator Operating Limits. ESI asserts that the AFC method will free up

additional transmission capability and result in faster responses to transmission service requests. A Technical Conference was held in December 2003. In February 2004, FERC issued an order that accepts and suspends the tariff sheets to implement AFC. Subsequent study may reveal any necessary changes.

Docket No. ER04-48 and Docket No. RT04-1  
Southwest Power Pool, Inc. (SPP)

In October 2003, SPP filed an application to be recognized as a Regional Transmission Organization (RTO). The filing reflects SPP's assertion that it meets the characteristics and functions of an RTO as required by FERC Order 2000 and suggested by the FERC White Paper (see Docket No. RM01-12). The Arkansas and Missouri commissions filed Joint Comments recommending a bifurcated jurisdictional model. The commissions also recommended specific RTO parameters intended to ensure a cost-effective design and the protection of native load ratepayers. The Arkansas and Missouri commissions supported SPP's continued role as the regional reliability council, security coordinator and regional tariff administrator, and its enhanced role as independent transmission planner and market monitor. The implementation of a strong decisional Regional State Committee (RSC) was also supported. FERC issued an Order in February 2004, granting the SPP RTO status subject to fulfillment of certain requirements. SPP was directed to 1) implement its independent board of directors, 2) become the sole transmission provider within the SPP region, 3) exercise day to day operation control of transmission within the region, 4) have an independent market monitor in place, 5) solely determine which projects are included in the regional transmission plan, and 6) have a seams agreement on file with the Midwest Independent Transmission System Operator. The RSC held its organizational meeting in April 2004 and SPP replaced its board of directors with a non-stakeholder board. SPP filed its RTO compliance filing in May 2004. FERC issued its Order on Compliance in July 2004, accepting in part and rejecting in part the compliance filing. SPP was told to address 10 items or areas and make a new

compliance filing in 30 days. A final order on compliance was issued in October 2004 granting the SPP RTO status.

Docket No. EL04-61  
Reliant Energy Choctaw (Reliant) v. Entergy Services, Inc. (ESI)

Reliant filed this complaint in January 2004 to force ESI to pay transmission credits for transmission upgrades funded by Reliant. ESI has refused to pay the credits when the Choctaw unit is not generating even while Reliant is generating from other units in the Entergy system. The APSC intervened in February 2004. FERC issued an order denying the complaint in May 2004.

Docket No. EL04-118  
Perryville Energy Partners (PEP) and Entergy Services, Inc. (ESI)

PEP and ESI filed with FERC in July 2004 a petition for a declaratory order that FERC disclaim jurisdiction over the disposition of a 718 MW generating facility located in Perryville, Louisiana. The petition claims that no FERC jurisdictional facilities are involved in the sale, but only a non-FERC jurisdictional generating station that is being sold to ESI. Regulatory approval of the Louisiana Public Service Commission will be required. The APSC intervened in August 2004. The APSC is concerned about the potential effects under the Entergy System Agreement on the wholesale rates of Entergy Arkansas (EAI). The APSC reserves its right to challenge the prudence and reasonableness of the Perryville acquisition in the event it causes EAI's costs to increase. FERC granted rehearing in December 2004.

Docket No. EL04-134  
East Texas Electric Cooperative, Inc. (ETEC) v Entergy Services, Inc. (ESI)

ETEC filed a complaint against ESI in September 2004. When ESI dispatches the

Independence Steam Electric Station (ISES) at levels below its ability to supply the co-owners share, ESI supplies substitute energy to make up the difference. The complaint is that ESI bills for this substitute energy at rates that are higher than the co-owners agreement with ESI that is filed at FERC. ETEC asserts that substitute energy should be priced at the ISES cost of coal. The APSC intervened in September 2004. A settlement conference took place during December 2004.

Docket No. ER04-638  
Entergy Services, Inc. (ESI)

In March 2004, ESI filed proposed revisions to the Transmission Service Rate formulas under the Open Access Transmission Tariff. The proposed revisions to Entergy's Transmission Service Rate formulas are designed to incorporate revenues from incrementally-priced contracts into the rate calculation. The APSC intervened in March 2004. The Commission issued an order in May 2003, directing the Chief Judge to appoint a settlement judge to assist the parties in arriving at a settlement of the issues in the case. The Commission issued an order in May 2004, establishing a settlement conference date. Six settlement conferences have been held to date in order for all parties to agree upon a proposal. The docket is pending.

Docket No. ER04-699  
Entergy Services, Inc. (ESI)

In April 2004, ESI filed proposed revisions to its Open Access Transmission Tariff to add an Independent Coordinator of Transmission (ICT) to monitor and advise ESI in specific areas on the provision of transmission service. The proposed revisions also add provisions to more easily establish the FERC "higher of" pricing policy and to initiate the weekly generation procurement process. The APSC intervened and requested FERC to suspend action in this docket until the APSC determines in its own docket, No. 04-050-U, whether it would be better for Entergy to achieve more independence through an ICT or by joining the Southwest Power

Pool. APSC also protested because Entergy has not yet considered the alternatives and has not yet justified its proposal. The FERC conducted a series of technical conferences in 2004 to discuss issues raised by ESI's filing. As a result of the extensive discussions between Entergy, the FERC, and Entergy's retail regulators and customers, Entergy proposed certain enhanced functions of the ICT beyond those functions included in its initial filing in this docket. Subsequently, Entergy filed its enhanced ICT proposal in FERC Docket EL05-52.

Docket No. ER04-1096  
Southwest Power Pool (SPP)

The SPP filed in August a further compliance filing in response to the FERC Order issued in July 2004, which approved in part and rejected in part SPP's application to be recognized as a Regional Transmission Organization (RTO). The filing was an unexecuted seams agreement between the SPP and MISO, the Midwest Independent System Operator. SPP agreed with MISO on the protocols developed for business between the two non-market areas. SPP disagreed with protocols for business between non-market areas and market areas. MISO, which intends to become a market area in the Spring of 2005, insisted that non-market to market protocols be accepted now. When SPP refused the non-market to market protocols, MISO refused to sign the agreement; thus the agreement was unexecuted. The APSC intervened in August 2004 and supported and participated in the comments of the Regional State Committee for the SPP in support of SPP's position. SPP filed the default Joint Operating Agreement developed by MISO and a request for rehearing, which was granted in December 2004.

Docket No. EL05-1  
Union Power Partners, L.P. v. Entergy Services & Entergy Operating Companies (collectively "Entergy")

In October 2004, Union Power Partners (UPP) filed a complaint against Entergy regarding the lack of credits afforded UPP for its funding of

network upgrades as a condition of transmission service. Entergy asserts that the ability of FERC to use Sec. 206 of the Federal Power Act to order refunds is an issue before the courts. The APSC intervened in October 2004.

Docket No. EL05-15

Arkansas Electric Cooperative Corporation (AECC) v. Entergy Arkansas, Inc. (EAI)

In October 2004, AECC filed a complaint against EAI for its provision of replacement energy when it fails to dispatch the AECC portion of the White Bluff and Independence coal generators pursuant to the contract between AECC and EAI. The issues raised are similar to, and in some cases identical to, the complaint of East Texas Cooperatives against EAI in Docket EL04-134. AECC is asking that the two dockets be consolidated. The APSC intervened in October 2004.

Docket No. EL05-22

Entergy Services, Inc. (ESI)

In December 2004, FERC initiated this docket to investigate the reasonableness of the Available Flowgate Capability (AFC) methodology utilized by ESI. Issues related to AFC arose out of a compliance filing in Docket No. ER03-1273. Rehearing was granted in that docket on February 2005. The APSC intervened in this docket in January 2005.

Docket No. EL05-43

Tenaska Gateway Partners Ltd. (Tenaska) v. Southwestern Electric Power Company (SWEPCO)

Tenaska filed this complaint against SWEPCO in December 2004. Tenaska asserts that the majority of transmission facilities it has paid for, classified by SWEPCO as "Interconnection Facilities," are beyond the "Point of Interconnection." Tenaska asserts that it should be credited for the cost of those investments under the

Large Generator Interconnection Procedures established by FERC. The APSC intervened in December 2004.

Docket No. EL05-052

Entergy Services, Inc. (ESI)

Subsequent to the 2004 technical conference discussions in ER04-699, ESI filed a motion for a Declaratory Order in January 2005 seeking FERC guidance on two issues. One is whether the enhanced functions for the proposed Independent Coordinator of Transmission (ICT) arising out of docket ER04-699 will cause it to become a "public utility" under the Federal Power Act. The other is whether ESI's funding pricing proposal for new transmission investment participant satisfies FERC's transmission pricing policy. The APSC intervened in January 2005.

A March 2005 Order, states that the ICT will not be a FERC jurisdictional utility. It also allows participant funding on a two year experimental basis.

Docket No. EL05-65

ExxonMobil Chemical Co. and Exxon Refining and Supply Company. V. Entergy Services Inc. and Entergy Operating Companies

In February 2005, ExxonMobil filed its complaint against Entergy. ExxonMobil operates their large facilities in one complex near Baton Rouge, Louisiana including 450 MW of Qualifying Facilities and three 230 kV substations. When ExxonMobil added the latest generating unit in 1999, Entergy renegotiated the Interconnection and Operating Agreement (I&OA). ExxonMobil asserts that several of the practices forced by that I&OA are unjust and unreasonable, discriminatory and anticompetitive. These include that Entergy prohibits netting or balancing internal load and generation; that the agreement has never been filed at the Commission, nor have the rates, and so have never been found just and reasonable; and that Entergy is unlawfully billing a Monthly Facilities Charge. APSC intervened in February 2005.

## Gas Industry

Docket No. RP96-200, et al  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In September 2003, FERC issued an order addressing a number of transportation service agreements and related compliance filings by CEGT. FERC found that several of the agreements, including agreements between CEGT and members of the Arkansas Gas Consumers (AGC), contain provisions that are inconsistent with FERC policies. FERC's concerns include a discriminatory umbrella agreement that provides preferential terms to members of AGC. FERC directed CEGT to: (1) remove the offending provisions from the umbrella agreement and file it as a tariff and (2) revise its tariffs to provide certain optional provisions of the agreement to all shippers. In October 2003, CEGT filed a request for rehearing of FERC's order. Also, in October 2003, the APSC intervened in this proceeding.

In January 2004, CEGT, in FERC Docket No. 96-200-118, made a compliance filing in response to FERC's order. CEGT states that the compliance filing: (1) provides that recourse shippers have access to the transportation services and terms and conditions that are available to shippers that ratified the AGC Rate Agreement; (2) removes provisions from the AGC Rate Agreement that FERC ordered removed; and (3) improves the clarity and accuracy of CEGT's contract reporting and filing. CEGT states that it will withdraw its October request for rehearing. In January, the APSC intervened in CEGT's compliance filing. In March, 2004, FERC issued an order accepting CEGT's compliance filing. FERC's order states that the public will benefit from its order by ensuring that CEGT offers services to all shippers on a non-discriminatory basis and that shippers are not held to provisions which violate FERC policies. CEGT's compliance filing was accepted to be effective April, 2004.

Docket No. RP96-200-134  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In December 2004, the APSC intervened in this November 2004, filing by CEGT of an amended negotiated rate agreement between CEGT and TPS Dell, L.L.C. (Dell) to recognize a further delay in the commercial operation of Dell's power plant. In December 2004, FERC issued an order accepting CEGT's filing effective January 2005.

Docket No. RP96-200-135  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In January 2005, the APSC intervened in this January 2004 filing by CEGT for FERC to approve a negotiated rate agreement between CEGT and Arkansas Western Gas Company (AWG). CEGT states that it has entered into an agreement to provide firm transportation service to AWG under Rate Schedule FT and requests that FERC accept and approve the transaction under which transportation service will commence upon the in-service date of a new compressor unit (See Docket No. CP04-377) now under construction by CEGT. This case is pending.

Docket No. IN03-11  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In September 2003, FERC issued an order that resulted from a FERC staff audit of CEGT's negotiated rate contracts. The audit indicated that between October 1997 and April 2003, CEGT failed to report all non-conforming terms and conditions in 76 negotiated rate contracts and failed to comply with FERC posting requirements for these contracts. FERC directed CEGT to show cause why its failure to report and post the non-conforming terms and conditions in the negotiated contracts does not violate FERC's regulations and orders granting the pipeline authority to enter into negotiated rate contracts. In October 2003, the APSC intervened in this proceeding.



In March 2004, FERC issued an order approving a Stipulation and Agreement (Agreement) between FERC and CEGT resolving the concerns contained in FERC's order. The Agreement contains six remedial provisions: (1) CEGT will file each negotiated rate contract that it executes; (2) FERC will post on its website previously unreported non-conforming terms and conditions in negotiated rate contracts; (3) CEGT will make available to recourse shippers, transportation services and terms and conditions that are available under Arkansas Gas Consumers' negotiated contracts; (4) CEGT will follow a compliance plan; (5) CEGT will pay \$75,000 for investigative costs; and (6) CEGT will use the Form of Service Agreement as a starting point for negotiated rate agreements.

Docket No. PR04-8  
Arkansas Oklahoma Gas Corporation (AOG)

In February 2004, the APSC intervened in AOG's filing to establish a new maximum transportation rate. The proposed rate was lower than the existing rate. In May 2004, West Central Arkansas Gas Consumers (WCAGC) protested the AOG filing contending that AOG's FERC-jurisdictional transportation policies and practices, including its discount rate, do not appear to be fair and forces AOG's retail customers to subsidize the service. In July 2004, FERC issued an order approving AOG's proposed rates. FERC stated that its approval is in the public interest because of the reduction in AOG's present rates. FERC also denied WCAGC request to: (1) require AOG to adopt maximum cost-based rates, and (2) find that AOG has discounted rates below variable costs. WCAGC, in August 2004, filed a request for rehearing or clarification of FERC's order. In November 2004, FERC denied WCAGC's request for rehearing.

Docket No. PR04-10  
Arkansas Western Gas Company (AWG)

In April 2004, the APSC intervened in this docket. AWG was filing for FERC to approve proposed rates as being fair and equitable for firm and interruptible transmission service performed under Section 311 of the Natural Gas Policy Act of 1978. In August 2004, FERC issued an order approving AWG's proposed rates. FERC also ordered AWG to file a new rate case on or before April 2007.

Docket No. RP04-75  
CenterPoint Energy Gas Transmission Company (CEGT)

In December 2003, the APSC intervened in CEGT's filing of its first annual report or penalty revenue credits. CEGT's filing reports all penalty revenues collected by CEGT during the twelve-month Penalty Base Period ended July 2003. In January 2004, FERC accepted CEGT's filing. Since no requests for rehearing were filed, FERC's acceptance constituted final action in this proceeding.

Docket No. CP04-102  
CenterPoint Energy Gas Transmission Company (CEGT)

In April 2004, the APSC intervened in this docket. CEGT was seeking approval to construct and operate facilities to serve the MacSteel Division of Quanex Corporation (MacSteel). MacSteel is the largest customer of Arkansas Oklahoma Gas, an Arkansas jurisdictional local distribution company. In May 2004, AOG protested the proposal stating that CEGT's proposal would result in bypass of AOG. In May 2004, MacSteel filed to intervene in support of CEGT's application. In August 2004, FERC issued an order approving CEGT's request.

In September 2004, AOG requested a rehearing of FERC's Order. In October 2004, AOG filed a copy of a September 2004, state court order

issued by a Circuit Court Judge in Sebastian County, Arkansas which AOG states shows MacSteel has no right to legally receive gas from CEGT at the proposed delivery point. In November 2004, FERC issued an order denying: (1) AOG's request for rehearing, and (2) CEGT's motion to strike.

Docket No. CP04-377  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In August 2004, the APSC intervened in an application filing by CEGT to construct a 6,380 horsepower new compressor unit in Conway County, Arkansas at a cost of approximately \$9.8 million. CEGT states that the new facility will allow it to provide year round firm service to Arkansas Western Gas Company. In November 2004, FERC approved the application.

Docket No. CP05-3  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In October 2004, the APSC intervened in a filing by CEGT to construct 28,265 horsepower of new mainline compression by installing one compressor unit and associated facilities at certain compressor stations in Caddo and Hughes counties, in Oklahoma. CEGT states that this additional compression will serve to increase capacity to receive Rocky Mountain gas supplies for transportation west to east across CEGT's system. Total construction costs are estimated to be approximately \$31.9 million. The docket is pending.

Docket No. CP05-51  
Ozark Gas Transmission, L.L.C.

In February 2005, the APSC intervened in this application filed by Ozark for approval to abandon by transfer to Ozark Arkansas Gas

Gathering, L.L.C. (OAGG) all lateral gathering pipeline and gathering compressor facilities located on Ozark's existing interstate pipeline system in the states of Oklahoma and Arkansas. Ozark states that the facilities proposed for abandonment perform a gathering function, not the interstate transmission function that is Ozark's core business. The facilities will be transferred at the net depreciated book cost which is estimated to be \$5.9 million as of June 30, 2004. Ozark further requests that this approval be granted by May 1, 2005. This case is pending.

Docket No. CP-05-58  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In February 2005, the APSC intervened in this filing by CEGT to construct, own, and operate three additional wells at its Chiles Dome Storage Facility (Chiles Dome) and operate approximately 21 miles of pipeline that will extend from Chiles Dome to CEGT's Line ADT-27 located in Pittsburg County, Oklahoma. CEGT also seeks authorization to convert three Bcf of cushion gas capacity to additional working gas capacity. CEGT will sell the cushion gas and utilize the proceeds to fund part of the proposed construction costs estimated to be \$25.6 million. CEGT states that as part of discussions with CenterPoint Energy Arkansas Gas (SEAG), its LDC affiliate, to restructure and extend its transportation and storage contracts, CEAG requested an increase in its storage availability. CEGT determined that it would be able to meet CEAG's request for increased storage service through the authorizations requested in this filing. This case is pending.

Docket No. RP05-111  
CenterPoint Energy Gas Transmission Company  
(CEGT)

In December 2004, the APSC intervened in this docket. CEGT filed requesting to add a new provision of their tariffs to address gas utility

unbundling of the sales and distribution services rendered when such unbundling is required by order of another jurisdictional governing authority. Arkansas Gas Consumers (AGC) filed comments objecting to CEGT's proposal. In December 2004, FERC issued an order accepting CEGT's filing subject to suspension until the earlier of five months or further FERC order and subject to the requirement that CEGT clarify its filing. In its order, FERC found that AGC's interpretation of CEGT's filing as requiring that contract demand reductions must be made available to all shippers is incorrect. FERC found that it is reasonable for CEGT to limit the right to negotiate contract demand reduction provisions only to LDCs adversely affected by regulatory unbundling. FERC required that CEGT revise its filing to specify the conditions it will negotiate or renegotiate and, if it wishes to negotiate terms other than contract demand reduction provisions, the company must specify what those terms are.

In January 2005, CEGT made a filing to comply with FERC's December 2004 order. In its January filing, CEGT clarified that, at this point in time, the only provision intended to be negotiated pursuant to Section 11.2 of its tariff would be a mechanism to adjust Contract Limitations and, therefore, has revised the tariff language accordingly. In February 2005, FERC accepted CEGT's revised tariff sheets. FERC stated that the revised tariff sheets comply with FERC's December order.

## **Federal Communications Commission (FCC)**

CC Docket No. 01-338 and

WC Docket No. 04-313

Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (ILECs) and Unbundled Access to Network Elements: "The Triennial Review Order"

In 2004 it was noted that the APSC had established Dockets No. 03-171-U and 03-163-U in response to the FCC's Triennial Review Order ("TRO") and that activity in Docket No. 03-171-U was stayed in view of the reversal of the FCC's decision by the United States District Court for the District of Columbia in March 2004. Both dockets have since been dismissed.

In August 2004, the FCC issued an Order and Notice of Proposed Rulemaking to address the issues raised by the United States District Court for the District of Columbia in March 2004. In July 2004 SBC filed a petition with the APSC (Docket No. 04-109-U) to establish rates for unbundled loops citing the March 2004 District Court decision and the rules proposed by the FCC in its Order of August 2004. Docket No. 04-109-U is currently pending with a hearing scheduled for April 2005.

In February 2005 the FCC released an order adopting changes to the unbundling obligations of the ILECs consist with the District Court decision. Under the Order the ILECs will no longer be required to provide unbundled network element platforms (UNE-P) as of March 2006. March 2005 will start a 12-month phase-out of the requirement to continue providing UNE-P to end users currently provisioned through such arrangements. The ILECs have challenged the FCC's TRO remand order to the extent that it continues to require unbundled access to any network elements and to the extent that it concludes that special access is not a substitute for unbundled network elements. In Docket No. 04-167-U, an arbitration docket, the parties filed a Joint Motion in February 2005 requesting an extension of the procedural to allow the parties to determine the effects of the FCC's Order on that pending arbitration docket.



On February 2004, the Federal-State Joint Board on Universal Service issued a Recommended Decision which would significantly change the Federal Universal Service Fund (USF) payments to eligible telecommunications carriers. The APSC filed comments which oppose some of the proposed changes, particularly the "primary line restriction." This restriction would limit USF support to one line per household or business. The APSC argued that this restriction could significantly impact rural businesses which have high costs per line yet require multiple lines in order to effectively conduct business. High cost support is needed for all the lines needed for business purposes, not just a single line. The APSC's comments were consistent with those filed by rural telecommunications carriers in Arkansas and with letters addressing the issue sent to the FCC by members of Arkansas Congressional delegation.

## SECTION 7 - OTHER ACTIVITY

The National Association of Regulatory Utility Commissioners (NARUC) is a nonprofit organization founded in 1889. NARUC membership is composed of the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty states, the District of Columbia, Puerto Rico, and the Virgin Islands. NARUC's objective is to improve the quality and effectiveness of public utility regulation.

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Regulatory Utility Commissioners

Randy Bynum  
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Executive Committee of the NARUC  
Committee on Gas  
Committee on Consumer Affairs  
Washington Action Committee  
Audits and Investments Committee

NARUC operates through committees and subcommittees. Those groups advance regulation through study and discussion of the operation and supervision of public utilities. Through promoting coordinated action by the commissions, the organization serves to protect the public interest.

The Commission is currently represented by the following committee and subcommittee assignments:

### Commissioners' Staff

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Staff Subcommittee on Administrative Law Judges  
Staff Subcommittee on Law

Sam Loudenslager  
Staff Subcommittee on Communications  
Staff Subcommittee on Consumer Affairs

David Lewis  
Staff Subcommittee on Gas

Richard House  
Staff Subcommittee on Electricity

### Executive Director

John P. Bethel  
Staff Subcommittee on Executive Management

### General Staff

Donna Gray  
Staff Subcommittee on Competition and  
Performance Analysis

Jeff Hilton  
Staff Subcommittee on Accounts

Gayle Freier  
Staff Subcommittee on Depreciation

## Appendix A - Jurisdictional Utilities

During 2004, the Commission carried out its statutory obligation to review and regulate the rates and/or practices of utility companies. The utilities under the Commission's jurisdiction in 2004 are listed below:

Investor-Owned Electric Utilities .....	4
Electric Cooperatives .....	18
Investor-Owned Gas Utilities .....	4
Natural Gas Operators .....	23
Master Meter Gas Operators .....	184
Water and Sewer Utilities .....	4
Incumbent Local Exchange Carriers .....	30
Competitive Local Exchange Carriers .....	114
Interexchange Carriers and Private Pay Telephone Providers .....	230
TOTAL .....	611

### Investor-Owned Electric Utilities

Empire District Electric Company  
Entergy Arkansas, Inc.

Oklahoma Gas and Electric Company  
Southwestern Electric Power Company

### Electric Cooperatives

Arkansas Electric Cooperative Corporation  
Arkansas Valley Electric Cooperative Corporation  
Ashley-Chicot Electric Cooperative  
C & L Electric Cooperative Corporation  
Carroll Electric Cooperative Corporation  
Clay County Electric Cooperative Corporation  
Craighead Electric Cooperative Corporation  
Farmers Electric Cooperative Corporation  
First Electric Cooperative Corporation

Mississippi County Electric Cooperative  
North Arkansas Electric Cooperative  
Ouachita Electric Cooperative Corporation  
Ozarks Electric Cooperative Corporation  
Petit Jean Electric Cooperative Corporation  
Rich Mountain Electric Cooperative  
South Central Ark. Electric Cooperative  
Southwest Arkansas Electric Coop. Corporation  
Woodruff Electric Cooperative Corporation

### Investor-Owned Gas Utilities

Arkansas Oklahoma Gas Corporation  
Arkansas Western Gas Company  
CenterPoint Energy Arkla, a division of  
CenterPoint Energy Resources Corp.  
Logan Township Gas Users Association

### Natural Gas Operators

Acme Brick Company  
Albemarle Corporation  
Augusta City Light Water and Gas  
CenterPoint Energy Field Services Corporation  
CenterPoint Energy Gas Transmission Company  
Des Arc Municipal Gas Company  
DeValls Bluff Natural Gas System  
Enbridge Pipelines L.L.C.  
Enogex Arkansas Pipeline Corporation  
Entergy  
Georgia Pacific Corporation  
Gruy Petroleum Management Co.  
Harrisburg Water and Gas Division  
Hazen Natural Gas Company  
Helena Harbor Port Authority  
Integrated Services, Inc.  
International Paper Company  
Jonesboro City Light & Water  
Kinder Morgan Pipeline  
LKL Pipeline Company  
North Crossett Gas & Water Company  
Wrightsville Power Facility, L.L.C.  
Unimin corporation

### Master Meter Gas Operators

Adams Mobile Home Park  
AIMCO (Apartments)  
Affordable Residential Comm. (MHP)  
Alpha Property Management, Inc.  
Arkansas Court Apartments  
Arkoma, Inc.  
Associate Management (Apartments)  
Augusta Housing Authority  
Autumn Run Mobile Home Park  
B&G Mobile Home Park  
Bailey Properties Corporation (Apartments)  
Bald Knob Housing Authority  
Bart Gray Realty (Apartments)  
Batesville Housing Authority  
Beaver Lake Mobile Home Park  
Beebe Housing Authority  
Bellefonte Mobile Home Park  
BMA Investments

Boonstra Mobile Home Park  
Boucher & Slack Enterprises (Apartments)  
Brinkley Housing Authority  
Buck's Trailer Park  
CIC Arms Apartments  
Cabin Court Apartments  
Camden Housing Authority  
Carol Brooner  
Casa America Inc.  
Century 21 River Valley Realty  
Chateau Rental Properties L.L.C.  
Chateau West Apartments  
Civitan Apartments  
Clarendon Housing Authority  
Coffman Investments (Apartments)  
Cohen-Esrey Real Estate Services, Inc.  
Colonial Arms Apartments  
Colonial Estates Mobile Home Park  
Colonial Oaks Apartments  
Con-Ivie Gardens Apartments  
Conway Housing Authority  
Cottage Apartments & Trailers  
Cotton Plant Housing Authority  
Country Oaks Village Mobile Home Trailer Park  
Countryside Mobile Home Park  
D&C Trailer Park  
Dale Martin Trailer Park  
Dan Epperly  
Dardenelle Housing Authority  
Delphi Property Management  
Des Arc Housing Authority  
Dewar Properties (Apartments)  
Dhein's Mobile Home Park  
Earle Housing Authority  
Ed Cook  
Ed Russell  
Fick Street Apartments  
First Capitol Management Group (Apartments)  
Forrest City Housing Authority  
Fort Smith Housing Authority  
Fountain Plaza Apartments  
Georgetown Apartments  
Glen Echo Mobile Home Park  
Green Acres Mobile Home Park  
Green Elf Court Apartments  
Guffey Properties (Mobile Home Park)  
Happy Pines Mobile Home Park  
Harris Trailer Park  
Heber Springs Housing Authority  
Henry Management  
Hermitage Trailer Park  
Hewett Springs Mobile Home Gardens  
Hickory Ridge Housing Authority  
Highcliff Apartments  
Hill Top Mobile Home Park  
Hilltop Mobile Home Park  
Hoxie Housing Authority  
Hudson Realty Company (Apartments)

## Master Meter Gas Operators (Continued)

Hughes Housing Authority	Remount Road / Spriggs Road M-H-P
JAF Enterprises	Rental Management, Inc. (Apartments)
J & L Properties	Rison Housing Authority
Jarrett Property Management (Apartments)	River Ridge Park
Jim Peacock Realty (Apartments)	Ro-Lynn Hills Mobile Home Park
Jones Trailer Park	Rockway
Keathley Enterprises (Mobile Home Park)	Rolling Hills Mobile Home Park
Keller's Mobile Home Park	Royal Oak Apartments
Kohner Properties (Apartment)	Ruffs Mobile Home Park
Krebs Rentals (Mobile Home Park)	Rutherford Mobile Home Park
Lakeland Trailer Park	Salem Housing Authority
Lakeside Resort	Scholars Inn Apartments
Leta Wagner	Shady Acres Mobile Home Park
Love's Apartments	Shady Rest Court
Magnolia Housing Authority	Sink Realty (Apartments)
Mammoth Spring Housing Authority	Southgate Village
Manila Housing Authority	Spring Lane Properties
Mansfield Properties	Squire Court Limited Partnership (Apartments)
Maple Shade Trailer Park	Star Management (Apartments)
Marianna Housing Authority	Suburban Mobile Home Park
Marshall Property Mgmt. L.L.C.	Sugarloaf Trailer Park
McClure Inc.	Sulcer Real Estate Rentals
McCrary Housing Authority	Suncrest Village L.L.C.
Mena & Polk Co. Housing Authority	Sunrise Village L.L.C.
Midway Park	Sunset Village L.L.C.
Mike Rushin Company	Sweetser Properties
Mission Housing Mgmt.	Taliafaro, Inc. (Apartments)
Moon's Trailer Park	Tara Garden, L.L.C.
Monte Ne Mobile Home Park	Ted & Alejandra Uffman
Moore Apartments	Terry Lynn Trailer Park
Morgan's Trailer Park	The English Apartments
Motor Inn Trailer Park	Town Houses in the Park
Mountain Home Mobile Home Park	Trailwood Mobile Home Park
Mr. James Love (MHP)	Travis Trailer Park
Mr. Johnny Bradley Sr.	Trent Consulting & Investing
Newport Housing Authority	Trumann Housing Authority
Niblock Investments, LLC	Tucker's Trailer Park
NWA Premier Holdings, L.L.C.	United Property Management (Apartments)
Out-in-the-Woods Apartments	University Trailer Park
Ozark Land Development (Mobile Home Parks)	W-7 Mobile Park
Painter's Mobile Home Park	Wards Mobile Home Park
Paragould Housing Authority	Warren Housing Authority
Parkin Housing Authority	Washington Plaza Apartments
Parkway Crossing Apartments	West Memphis Housing Authority
Pearson's Trailer Park	Westpark Meadows Apartments
Pharr Apartments	White River Regional Housing Authority
Pine Meadow Trailer Park	Wilbur's Mobile Home Park
Pocahontas Housing Authority	Willow Bend Properties, L.L.C.
Poplar Square Apartments	Willow Wood Apartments
Pro Realty (Apartments)	Winston Apartments
Property Management, Inc. (Apartments)	Woodridge Estates Mobile Home Park
Protho Manor Apartments	Woodcreek, Inc.
R.R. & L.L. Incorporated	
RPS Management Company L.P. (Apartments)	
Rector Housing Authority	
Rector-Phillips-Morse (Apartments)	

## Water and Sewer Utilities

Riviera Utilities of Arkansas, Inc.  
Sebastian Lake Public Utility Co.  
Shumaker Public Service Corporation  
United Water Arkansas, Inc.

## Incumbent Local Exchange Carriers

Alltel Arkansas, Inc.  
Arkansas Telephone Company  
Central Arkansas Telephone Cooperative  
CenturyTel of Arkansas, Inc.  
CenturyTel of Central Arkansas, LLC  
CenturyTel of Mountain Home, Inc.  
CenturyTel of Northwest Arkansas, LLC  
CenturyTel of Northwest Louisiana, Inc.  
CenturyTel of Redfield, Inc.  
CenturyTel of South Arkansas, Inc.  
Cleveland County Telephone Company, Inc.  
Decatur Telephone Company, Inc.  
E.Ritter Telephone Company  
    dba Ritter Telephone Company  
Lavaca Telephone Company, Inc.  
    dba Pinnacle Communications  
Madison County Telephone Company, Inc.  
Magazine Telephone Company  
Mountain View Telephone Company  
Northern Arkansas Telephone Company, Inc.  
Ozark Telephone Company of Missouri  
Prairie Grove Telephone Company  
Rice Belt Telephone Company, Inc.  
Scott County Telephone Co., Inc.  
South Arkansas Telephone Company, Inc.  
Southwest Arkansas Telephone Cooperative, Inc.  
Southwestern Bell Telephone, L.P.  
Tri-County Telephone Company  
Valor Telecommunications of Texas, LP  
Walnut Hill Telephone Company  
Yelcot Telephone Company  
Yell County Telephone Company

## Competitive Local Exchange Carriers

1-800-Reconex, Inc.  
Acceris Communications Corp.  
ACN Communication Services, Inc.  
Adelphia Business Solutions Investments, LLC  
    dba TelCove  
Advanced Telecom, Inc.  
    dba Advanced Telecom Group, Inc.  
ALLTEL Communications, Inc.  
Alticomm, Inc.  
American Farm Bureau, Inc.  
    dba The Farm Bureau Connection  
Ameritel Arkansas, Inc.  
Arkansas State Telephone  
A-Tech Telecom, Inc.  
AT&T Communications of the SW  
Basicphone, Inc.  
Bellerud Communications, LLC  
Bellsouth BSE, Inc.  
Big River Telephone Company, LLC  
Brooks Fiber Communications of ARK, Inc.  
Budget Phone, Inc.  
Bullseye Telecom, Inc.  
Business Telecom, Inc.  
    dba BTI Telecommunications Services  
Buy-Tel Communications  
CAT Communications International, Inc.  
CenturyTel Fiber Company II, LLC  
CenturyTel Solutions, LLC  
Charter Fiberlink AR – CCVII, LLC  
Cinergy Communications Corp.  
Comm South, Inc.  
    dba Arkansas Comm South, Inc.  
Communigroup of Jackson, Inc.  
Connect Communications Corp.  
Covista, Inc.  
Credit Loans, Inc.  
    dba Lone Star Telephone Company  
DPI-Teleconnect, Inc.  
DSLNet Communications, Inc.  
DVC Enterprises, Inc.  
    dba DVC Telecom  
E.Ritter Communications, Inc.  
    dba Ritter Communications, Inc.  
Easton Telecom Services, LLC  
Enhanced Communications Group, LLC  
    dba ECG  
Ernest Communications, Inc.  
Excel Telecommunications, Inc.  
EZ Phone, Inc.  
FamilyTel of Arkansas, Inc.

## Competitive Local Exchange Carriers (Continued)

France Telecom Corporate Solutions, LLC  
Gateway Telecom, Inc.  
Global Connection Inc of America  
Global Crossing Telemanagement, Inc.  
Grande Communication Network, Inc.  
Granite Telecommunications, LLC  
Hometel, Inc.  
IDT America, Corp  
Image Access, Inc.  
    dba New Phone  
Infone, LLC  
Ionex Communications South, Inc.  
ITC Deltacom Communications, Inc.  
    dba ITC Deltacom  
Kentucky Data Link, Inc.  
KMC Data, LLC  
KMC Telecom III, LLC  
KMC Telecom V, Inc.  
Larry Baldwin  
    dba NEA Telecom  
Level 3 Communications, LLC  
Liberty Phones  
Lightyear Network Solutions, LLC  
MCImetro Access Transmission Services, LLC  
McLeodUSA Telemanagement Services  
Metro Teleconnect Company, Inc.  
Metropolitan Telecommunications of Arkansas,  
Inc.  
    dba MeTel  
Navigator Telecommunications, Inc.  
Networklp, LLC  
New Access Communications, LLC  
New Edge Network, Inc.  
    dba New Edge Networks  
Nexus Communications, Inc.  
NII Communications, LTD  
NOS Communications, Inc.  
Now Acquisition Corporation  
NOW Communications, Inc.  
NTERA, Inc.  
NuVox Communications of Arkansas, Inc.  
Pacific Centrex Services, Inc.  
Payroll Advance, Inc.  
Phone-Link, Inc.  
Pinnacle Telecom, LLC  
Preferred Carrier Services, Inc.  
Quality Telephone  
Qwest Interprise America, Inc.  
Reliant Communications, Inc.  
Robert's Communications  
Sage Telecom, Inc.

SBC Advanced Solutions, Inc.  
Southern Telecom Network, Inc.  
    dba STN Long Distance, Inc.  
Sprint Communications Co., L.P.  
Suretel, Inc.  
Syniverse Networks, Inc.  
Talk America, Inc.  
TCA Communications  
TCG Kansas City, Inc.  
Tele-Save  
Teligent, Inc.  
The Phone Connection  
Thielepape, Harry  
    dba State Discount Telephone  
Universal Access, Inc.  
Universal Telecom, Inc.  
    dba Universal Communications  
USCom Telephone, Inc.  
Valuelinx Communications Corp.  
Vantage Telecom, LLC  
    dba NewRoads  
Vartec Telecom, Inc.  
    dba Vartec Telecom and Clear Choice Comm.  
Verizon Select Services  
Victory Communications, Inc.  
Western Communications, Inc.  
    dba Logix Communications  
World Lynx, LLC  
XO Communications Services  
XO Network Services, Inc.  
ESPedious Management Co. of Little Rock, LLC  
ESPedious Management Co. Switched Services,  
LLC  
Z-Tel Communications

## Interexchange Carriers and Private Pay Telephone Providers

01 Communications of Arkansas  
360Networks (USA) Inc.  
3U Telecom, Inc.  
Access One, Inc.  
Access Point, Inc.  
AccessLine Communications Corporation  
ACCXX Communications, LLC  
Advanced Tel, Inc.  
    dba EATEL  
Advantage Telecommunications Corp.  
Affinity Network Incorporated  
    dba Horizon One Communications  
    dba Quantumlink Communications  
Airnex Communications, Inc.



## Interexchange Carriers and Private Pay Telephone Providers (Continued)

Alliance Group Services, Inc.  
American Long Lines, Inc.  
American Telecommunications Systems, Inc.  
Americatel Corporation  
    dba 10123 Americatel  
AmeriVision Communications, Inc.  
    dba Lifeline Communications, Inc.  
Andiamo Telecom, LLC  
A.R.C. Networks, Inc.  
    dba Info Highway  
Arkansas Payphones, Inc.  
ASC Telcom, Inc.  
Association Administrators, Inc.  
AXES, Inc.  
    dba AXCES International  
Axius, Inc.  
    dba Axius Communications  
BAK Communications, LLC  
Bell Atlantic Communications, Inc.  
    dba Verizon Long Distance  
Bellsouth Long Distance, Inc.  
BridgeCom International, Inc.  
Broadband Dynamics, LLC  
Broadwing Communications, LLC  
BT Communications Sales, LLC  
Budget Call Long Distance  
Buehner-Fry, Inc.  
    dba Resort Operator  
    dba DialDirect USA  
Business Discount Plan, Inc.  
Business Network Long Distance, Inc.  
Business Productivity Solutions, Inc.  
Buyers United, Inc.  
    dba Buyersonline  
    dba United Carrier Networks  
Buzz Telecom Corporation  
Call Processing, Inc.  
Capsule Communications, Inc.  
Casco Pay Phones  
CenturyTel Long Distance, Inc.  
CFL, LLC  
    dba CFL Payphones  
Cincinnati Bell AnyDistance  
Cinemark USA, Inc.  
Citizens Telecommunications Company  
    dba Citizens Long Distance Company  
City Tele Coin Company, Inc.  
Claricom Networks, Inc.  
    dba Staples Communications Networks

Coast International, Inc.  
Cognigen Networks, Inc.  
Coleman Enterprises, Inc.  
    dba Local Long Distance  
Com-Tech Resources  
    dba Com-Tech Systems  
Comcast Business Communications, Inc.  
    dba Comcast Long Distance  
Communicate Technological Systems, L.L.C.  
Communications Network Billing, Inc.  
Communigroup of K.C., Inc.  
    dba CGI  
Comtech 21, LLC  
Connect America Communications  
Connie West  
Consolidated Communications Operator  
    Services, Inc.  
Convergia, Inc.  
CTC Communications Corp.  
Custom Teleconnect, Inc.  
DCT Telecom Group, Inc.  
D.D.D. Calling, Inc.  
David R. Lindgren  
    dba Coyote Call Payphones  
Dewey Pruitt  
Dial Around Telecom, Inc.  
Dial-Thru, Inc.  
Dialaround Enterprises, Inc.  
Douglas K. Skokos  
    dba Diller Payphones  
E. Ritter Long Distance  
    dba Tri-County Long Distance, Inc.  
ECI Communications, Inc.  
    dba ITS Network Services  
Electric Lightwave, Inc.  
eMeritus Communications, Inc.  
Encompass Communications, LLC  
Enhanced Communications Network, Inc.  
Entrix Telecom, Inc.  
Epixtar Communications Corp.  
ETS Payphones  
Evercom Systems, Inc.  
Exergy Group, LLC  
Freedomstarr Communications, Inc.  
    dba Planet Earth Communications and  
    dba iPhonebill.com  
Gates Communications, Inc.  
GE Business Productivity Solutions, Inc.  
    dba GE Capital Communications Services  
Globalcom, Inc.  
Global Communications Consulting Group  
Global Crossing North American Networks, Inc.  
Global Crossing Telecommunications, Inc.



## Interexchange Carriers and Private Pay Telephone Providers (Continued)

Global Tel\*Link Corporation  
dba Global TelCoin  
Go-Solo Technologies, Inc.  
Gold Line Telemanagement, Inc.  
GTC Telecom  
Horizon Telecom, Inc.  
dba Horizon Telecom of Arkansas Public  
Service Commission  
Infonet Telecommunications Corp.  
Intellicall Operator Services, Inc.  
dba ILD  
Inter-Tel NetSolutions, Inc.  
Intercontinental Communications Group, Inc.  
dba Fusion Telecom  
dba Fusion – Trucker Phone  
Interstate Telecommunications of Georgia, Inc.  
Jack L. Hunter  
James Michael Church Payphones  
Jaroth, Inc.  
Jirehcom, Inc.  
K-Powernet, L.L.C.  
KDD America, Inc.  
LCR Telecommunications  
LDMI Telecommunications, Inc.  
dba FoneTel  
dba LDMI Telecommunications  
Least Cost Routing, Inc.  
Legacy Long Distance International  
Lightyear Communications, Inc.  
Lightyear Telecommunications, LLC  
Long Distance Consolidated Billing Company  
Lotel, Inc.  
dba Coordinated Billing Services  
Main Street Telephone Company  
Marathon Communications Corporation  
Matrix Telecom  
McGraw Communications, Inc.  
MCI Worldcom Communications, Inc.  
MCI Worldcom Network Services, Inc.  
Michael E. Gray  
Midessa Communication Management  
Systems, Inc.  
Miko Telephone Communications, Inc.  
Motion Telecom, Inc.  
NATCO Technologies, Inc.  
Nationwide Professional Teleservices, LLC  
National Access Long Distance, Inc.  
National Directory Assistance, LLC  
National Telephone Company

Neal Morris  
dba Leasing Association  
NECC Telecom, Inc.  
Netlojix Telecom, Inc.  
Net One International, Inc.  
Network Billing Systems, L.L.C.  
Network Communications International Corp.  
Network Operator Services, Inc.  
Network Services Group, Inc.  
Network US, Inc.  
dba CA Affinity  
Network PTS, Inc.  
New Century Telecom, Inc.  
Nobeltel, Inc.  
Norstan Network Services, Inc.  
Northeast Telecom, Inc.  
NorVergence, Inc.  
NOSVA Limited Partnership  
dba SierraCom Systems  
Nowell Communications  
NUI Telecom, Inc.  
NYNEX Long Distance Company  
dba Verizon Enterprise Solutions  
OCMC, Inc.  
dba 1-800-Max-Save, AdvanTel, LiveTel,  
RegionTel, SuperTel  
Onelink Communications, Inc.  
Operator Communications, Inc.  
dba Oncor  
Operator Service Company  
Opex Communications, Inc.  
Optical Telephone Corporation  
Paetec Communications, Inc.  
Payphones of Arkansas  
Peak Communications, Inc.  
Phone1, Inc.  
Phonetel Technologies, Inc.  
PNG Telecommunications, Inc.  
dba PowerNet Global Communications  
Power-Finder West Communciations, LLC  
PrimeTime Communications, Inc.  
Primus Telecommunications, Inc.  
Promisevision Technology, Inc.  
PT-1 Communication, Inc.  
Public Communication Services, Inc.  
Quasar Communications Corp.  
QWEST Communications Corporation  
R2C Communications, Inc.  
Ray A. Beierle  
dba Reliable Communications  
Red River Networks, LLC  
Reduced Rate long Distance, LLC

## Interexchange Carriers and Private Pay Telephone Providers (Continued)

Ridley Telephone Company, LLC  
RRV Enterprise, Inc.  
    dba Consumer Access  
Raymond and Pamela Ryba  
Scott Allen Lensing  
Smartstop, Inc.  
Sprint Payphone Services, Inc.  
Startec Global Licensing Company  
SWB Communications Services  
    dba Southwestern Bell Long Distance  
T-Netix, Inc.  
T-Netix Telecommunications  
TDS Long Distance Corp.  
Telco Partners, Inc.  
Tele-Connect, Inc.  
TeleCents Communications, Inc.  
Telecare, Inc.  
Telecom Management, Inc.  
Teleconnect Long Distance Services and  
    System Company  
    dba Telecom\*USA  
Teledias Communications, Inc.  
Telefyne Inc.  
Teleglobe America, Inc.  
Telenational Communications, Inc.  
Telephone Company of Central FL  
Teletrust, Inc.  
TeleUno, Inc.  
Telliss, LLC  
Telmex USA, LLC  
Telrite Corporation  
Texas Inmate Phones Communications  
TLX Communications, Inc.  
    dba Tel America Long Distance Service  
    dba United Telephone Company  
Ton Services, Inc.  
Total Call International, Inc.  
Touch 1 Communications, Inc.  
Touchtone Communications, Inc.  
Tralee Telephone Company, LLC  
TransCom Communications, Inc.  
Transcommunications Incorporated  
Trans National Communications International  
Tri-M Communications  
    dba TMC Communications  
TTI National, Inc.  
Uni-Tel Communications Group, Inc.  
Unity Communications, Inc.  
US LEC Communications, Inc.

US South Communications, Inc.  
    dba US South  
    dba Incomm  
U.S. Telecom Long Distance, Inc.  
USA Digital Communications, Inc.  
USLD Communications, Inc.  
Valor Telecommunications LD, LLC  
Value Added Communications, Inc.  
WDT World Discount Telecommunications Co.  
Westel, Inc.  
Wholesale Carrier Services, Inc.  
WiTel Communications, LLC  
Winstar Communications, Inc.  
Working Assets long Distance  
Worldxchange Corporation  
    dba Acceris Communication Partners  
    dba Acceris Communication Solutions  
X2Comm, Inc.  
    dba Direct Connect Communications  
Yak Communications (America) Inc.  
Zone Telecom, Inc.

## APPENDIX B - STATISTICAL SUMMARIES

### Electric Companies - Arkansas Only Plant Investment; Operating Revenues Year Ended December 31, 2003

Company	Plant Investment	Operating Revenues	Ratio (%) Operating Revenues/Investment
Arkansas Electric Cooperative Corp.	\$1,311,830,471	\$362,476,872	27.63%
Arkansas Valley Electric Cooperative Corp.	157,049,291	64,045,247	40.78%
Ashley-Chicot Electric Cooperative	27,243,457	7,925,816	29.09%
C & L Electric Cooperative Corp.	84,001,759	24,965,372	29.72%
Carroll Electric Cooperative Corp.	213,295,331	77,270,453	36.23%
Clay County Electric Cooperative Corp.	47,240,317	16,007,531	33.89%
Craighead Electric Cooperative Corp.	101,609,059	31,101,894	30.61%
Empire District Electric Company	14,808,473	7,685,107	51.90%
Entergy Arkansas, Inc.	6,288,876,821	1,589,648,193	25.28%
Farmers Electric Cooperative Corp.	14,798,412	5,370,355	36.29%
First Electric Cooperative Corp.	277,405,433	100,752,706	36.32%
Mississippi County Electric Cooperative	22,211,915	87,640,158	394.56%
North Arkansas Electric Cooperative	135,581,087	39,931,487	29.45%
Oklahoma Gas and Electric Company	205,473,093	163,639,345	79.64%
Ouachita Electric Cooperative Corp.	46,855,310	15,096,240	32.22%
Ozarks Electric Cooperative Corp.	137,337,411	52,692,033	38.37%
Petit Jean Electric Cooperative Corp.	68,586,839	19,388,834	28.27%
Rich Mountain Electric Cooperative	30,349,355	8,384,986	27.63%
South Central Arkansas Electric Cooperative	40,029,147	14,605,536	36.49%
Southwest Arkansas Electric Cooperative	108,834,585	37,842,918	34.77%
Southwestern Electric Power Company	518,979,232	264,108,941	50.89%
Woodruff Electric Cooperative Corp.	92,406,133	25,800,544	27.92%
<b>TOTALS</b>	<b>\$9,944,802,931</b>	<b>\$3,016,380,568</b>	<b>30.33%</b>

**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>Arkansas Electric Cooperative Corporation</b>					
Residential	0	0	\$0	\$0	0
Irrigation	0	0	0	0	0
Commercial	0	0	0	0	0
Industrial	0	0	0	0	0
Public Authority	0	0	0	0	0
<b>Totals Retail</b>	0	0	\$0	\$0	0
<b>Wholesale</b>	16	10,800,239,000	362,146,109	22,634,132	675,014,938
<i>Other Revenues</i>	N/A	N/A	330,763	N/A	N/A
<b>TOTALS</b>	16	10,800,239,000	\$362,476,872	N/A	N/A
<b>Arkansas Valley Electric Cooperative Corporation</b>					
Residential	44,668	635,266,573	\$46,436,534	\$1,040	14,222
Irrigation	0	0	0	0	0
Commercial	2,437	94,559,630	6,113,628	2,509	38,802
Industrial	12	255,185,660	9,713,639	809,470	21,265,472
Public Authority	596	18,586,368	1,328,014	2,228	31,185
<b>Totals Retail</b>	47,713	1,003,598,231	\$63,591,815	\$1,333	21,034
<b>Wholesale</b>	0	0	0	0	0
<i>Other Revenues</i>	N/A	N/A	453,432	N/A	N/A
<b>TOTALS</b>	47,713	1,003,598,231	\$64,045,247	N/A	N/A
<b>Ashley-Chicot Electric Cooperative, Inc.</b>					
Residential	3,854	52,657,843	\$4,697,231	\$1,219	13,663
Irrigation	203	6,990,143	851,170	4,193	34,434
Commercial	988	26,411,276	2,266,332	2,294	26,732
Industrial	0	0	0	0	0
Public Authority	18	733,287	59,317	3,295	40,738
<b>Totals Retail</b>	5,063	86,792,549	\$7,874,050	\$1,555	17,143
<b>Wholesale</b>	0	0	0	0	0
<i>Other Revenues</i>	N/A	N/A	51,766	N/A	N/A
<b>TOTALS</b>	5,063	86,792,549	\$7,925,816	N/A	N/A

**Electric Companies - Arkansas Only  
Customers; kWh Sold; Revenues  
Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>C&amp;L Electric Cooperative Corporation</b>					
Residential	18,401	235,691,435	\$18,265,170	\$993	12,809
Irrigation	201	4,187,200	596,698	2,969	20,832
Commercial	1,525	54,591,434	3,872,377	2,539	35,798
Industrial	9	23,334,683	1,195,284	132,809	2,592,743
Public Authority	391	7,001,941	535,603	1,370	17,908
<b>Totals Retail</b>	<b>20,527</b>	<b>324,806,693</b>	<b>\$24,465,132</b>	<b>\$1,192</b>	<b>15,823</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>500,240</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>20,527</b>	<b>324,806,693</b>	<b>\$24,965,372</b>	<b>N/A</b>	<b>N/A</b>

**Carroll Electric Cooperative Corporation**

Residential	56,937	807,493,255	\$55,285,196	\$971	14,182
Irrigation	0	0	0	0	0
Commercial	4,091	225,584,496	12,574,413	3,074	55,142
Industrial	9	218,217,313	7,426,374	825,153	24,246,368
Public Authority	57	3,072,799	240,643	4,222	53,909
<b>Totals Retail</b>	<b>61,094</b>	<b>1,254,367,863</b>	<b>\$75,526,626</b>	<b>\$1,236</b>	<b>20,532</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>1,743,827</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>61,094</b>	<b>1,254,367,863</b>	<b>\$77,270,453</b>	<b>N/A</b>	<b>N/A</b>

**Clay County Electric Cooperative Corporation**

Residential	10,297	98,618,104	\$8,972,653	\$871	9,577
Irrigation	575	2,490,334	348,472	606	4,331
Commercial	1,170	50,891,724	4,129,987	3,530	43,497
Industrial	12	31,217,328	2,232,000	186,000	2,601,444
Public Authority	109	2,317,201	191,896	1,761	21,259
<b>Totals Retail</b>	<b>12,163</b>	<b>185,534,691</b>	<b>\$15,875,008</b>	<b>\$1,305</b>	<b>15,254</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>132,523</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>12,163</b>	<b>185,534,691</b>	<b>\$16,007,531</b>	<b>N/A</b>	<b>N/A</b>

**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>Craighead Electric Cooperative Corporation</b>					
Residential	21,411	303,670,374	\$22,242,824	\$1,039	14,183
Irrigation	917	5,980,295	754,644	823	6,522
Commercial	4,428	93,058,662	6,598,386	1,490	21,016
Industrial	7	15,973,352	949,293	135,613	2,281,907
Public Authority	28	679,648	64,427	2,301	24,273
<b>Totals Retail</b>	26,791	419,362,331	\$30,609,574	\$1,143	15,653
<b>Wholesale</b>	0	0	0	0	0
<i>Other Revenues</i>	N/A	N/A	492,320	N/A	N/A
<b>TOTALS</b>	26,791	419,362,331	\$31,101,894	N/A	N/A
<b>Empire District Electric Company</b>					
Residential	3,158	35,381,912	\$2,470,065	\$782	11,204
Irrigation	0	0	0	0	0
Commercial	637	28,720,007	1,797,493	2,822	45,086
Industrial	9	69,576,375	2,805,805	311,756	7,730,708
Public Authority	83	3,113,419	204,880	2,468	37,511
<b>Totals Retail</b>	3,887	136,791,713	\$7,278,243	\$1,872	35,192
<b>Wholesale</b>	2	10,170,230	342,065	171,033	5,085,115
<i>Other Revenues</i>	N/A	N/A	64,799	N/A	N/A
<b>TOTALS</b>	3,889	146,961,943	\$7,685,107	N/A	N/A
<b>Entergy Arkansas</b>					
Residential	557,963	7,056,948,325	\$525,546,678	\$942	12,648
Irrigation	0	0	0	0	0
Commercial	80,747	5,327,938,110	291,435,033	3,609	65,983
Industrial	22,926	6,998,762,525	305,331,784	13,318	305,276
Public Authority	547	265,929,356	14,792,442	27,043	486,160
<b>Totals Retail</b>	662,183	19,649,578,316	\$1,137,105,937	\$1,717	29,674
<b>Wholesale</b>	22	12,435,010,935	422,169,409	19,189,519	565,227,770
<i>Other Revenues</i>	N/A	N/A	30,372,847	N/A	N/A
<b>TOTALS</b>	662,205	32,084,589,251	\$1,589,648,193	N/A	N/A

**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>Farmers Electric Cooperative Corporation</b>					
Residential	4,372	49,651,479	\$3,614,034	\$827	11,357
Irrigation	430	6,335,126	719,484	1,673	14,733
Commercial	535	17,250,174	924,149	1,727	32,243
Industrial	10	414,940	26,231	2,623	0
Public Authority	0	0	0	0	0
<b>Totals Retail</b>	<b>5,347</b>	<b>73,651,719</b>	<b>\$5,283,898</b>	<b>\$988</b>	<b>13,774</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>86,457</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>5,347</b>	<b>73,651,719</b>	<b>\$5,370,355</b>	<b>N/A</b>	<b>N/A</b>

**First Electric Cooperative Corporation**

Residential	67,904	947,868,489	\$74,539,818	\$1,098	13,959
Irrigation	445	34,747,453	3,189,005	7,166	78,084
Commercial	3,533	132,594,702	9,700,629	2,746	37,530
Industrial	32	305,479,019	10,248,348	320,261	9,546,219
Public Authority	433	18,766,966	1,270,674	2,935	43,342
<b>Totals Retail</b>	<b>72,347</b>	<b>1,439,456,629</b>	<b>\$98,948,474</b>	<b>\$1,368</b>	<b>19,897</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>1,804,232</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>72,347</b>	<b>1,439,456,629</b>	<b>\$100,752,706</b>	<b>N/A</b>	<b>N/A</b>

**Mississippi County Electric Cooperative**

Residential	3,498	54,714,961	\$3,032,369	\$867	15,642
Irrigation	239	3,367,437	\$255,315	\$1,068	14,090
Commercial	496	15,404,311	\$809,301	\$1,632	31,057
Industrial	27	3,003,793,190	\$83,405,287	\$3,089,085	111,251,600
Public Authority	40	1,687,835	\$101,877	\$2,547	42,196
<b>Totals Retail</b>	<b>4,300</b>	<b>3,078,967,734</b>	<b>\$87,604,149</b>	<b>\$20,373</b>	<b>716,039</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>36,009</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>4,300</b>	<b>3,078,967,734</b>	<b>\$87,640,158</b>	<b>N/A</b>	<b>N/A</b>



**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>North Arkansas Electric Cooperative</b>					
Residential	30,126	350,942,039	\$28,930,004	\$960	11,649
Irrigation	0	0	0	0	0
Commercial	2,244	81,751,172	5,732,238	2,554	36,431
Industrial	7	88,552,512	4,386,459	626,637	12,650,359
Public Authority	329	5,684,729	474,317	1,442	17,279
<b>Totals Retail</b>	<b>32,706</b>	<b>526,930,452</b>	<b>\$39,523,018</b>	<b>\$1,208</b>	<b>16,111</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>408,469</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>32,706</b>	<b>526,930,452</b>	<b>\$39,931,487</b>	<b>N/A</b>	<b>N/A</b>
<b>Oklahoma Gas and Electric Company</b>					
Residential	51,508	674,466,242	\$44,510,873	\$864	13,094
Irrigation	0	0	0	0	0
Commercial	8,209	706,027,380	33,749,774	4,111	86,007
Industrial	426	1,144,206,693	43,568,727	102,274	2,685,931
Public Authority	1,180	124,739,436	7,005,644	5,937	105,711
<b>Totals Retail</b>	<b>61,323</b>	<b>2,649,439,751</b>	<b>\$128,835,018</b>	<b>\$2,101</b>	<b>43,205</b>
<b>Wholesale</b>	<b>22</b>	<b>857,480,428</b>	<b>34,053,360</b>	<b>1,547,880</b>	<b>38,976,383</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>750,967</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>61,345</b>	<b>3,506,920,179</b>	<b>\$163,639,345</b>	<b>N/A</b>	<b>N/A</b>
<b>Ouachita Electric Cooperative Corporation</b>					
Residential	8,470	99,724,561	\$7,628,518	\$901	11,774
Irrigation	0	0	0	0	0
Commercial	910	66,281,401	4,049,472	4,450	72,837
Industrial	7	70,619,585	3,204,167	457,738	10,088,512
Public Authority	6	415,122	25,059	4,177	69,187
<b>Totals Retail</b>	<b>9,393</b>	<b>237,040,669</b>	<b>\$14,907,216</b>	<b>\$1,587</b>	<b>25,236</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>189,024</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>9,393</b>	<b>237,040,669</b>	<b>\$15,096,240</b>	<b>N/A</b>	<b>N/A</b>

**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>Ozarks Electric Cooperative Corporation</b>					
Residential	42,058	557,968,251	\$37,675,461	\$896	13,267
Irrigation	0	0	0	0	0
Commercial	1,644	132,343,870	8,640,525	5,256	80,501
Industrial	16	81,923,020	4,039,677	252,480	5,120,189
Public Authority	257	20,655,729	1,451,201	5,647	80,372
<b>Totals Retail</b>	<b>43,975</b>	<b>792,890,870</b>	<b>\$51,806,864</b>	<b>\$1,178</b>	<b>18,030</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>885,169</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>43,975</b>	<b>792,890,870</b>	<b>\$52,692,033</b>	<b>N/A</b>	<b>N/A</b>
<b>Petit Jean Electric Cooperative Corporation</b>					
Residential	16,504	183,945,962	\$14,147,305	\$857	11,146
Irrigation	0	0	0	0	0
Commercial	1,408	51,954,262	3,354,792	2,383	36,899
Industrial	10	24,922,680	1,268,766	126,877	2,492,268
Public Authority	311	5,847,460	457,599	1,471	18,802
<b>Totals Retail</b>	<b>18,233</b>	<b>266,670,364</b>	<b>\$19,228,462</b>	<b>\$1,055</b>	<b>14,626</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>160,372</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>18,233</b>	<b>266,670,364</b>	<b>\$19,388,834</b>	<b>N/A</b>	<b>N/A</b>
<b>Rich Mountain Electric Cooperative</b>					
Residential	7,042	95,966,672	\$7,479,957	\$1,062	13,628
Irrigation	0	0	0	0	0
Commercial	351	12,631,043	815,301	2,323	35,986
Industrial	0	0	0	0	\$0
Public Authority	0	0	0	0	0
<b>Totals Retail</b>	<b>7,393</b>	<b>108,597,715</b>	<b>\$8,295,258</b>	<b>\$1,122</b>	<b>14,689</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>89,728</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>7,393</b>	<b>108,597,715</b>	<b>\$8,384,986</b>	<b>N/A</b>	<b>N/A</b>

**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>South Central Arkansas Electric Cooperative</b>					
Residential	9,095	107,063,098	\$8,348,072	\$918	11,772
Irrigation	8	159,764	23,241	2,905	19,971
Commercial	514	15,267,880	1,175,344	2,287	29,704
Industrial	8	121,528,949	4,948,646	618,581	15,191,119
Public Authority	8	190,915	21,505	2,688	23,864
<b>Totals Retail</b>	<b>9,633</b>	<b>244,210,606</b>	<b>\$14,516,808</b>	<b>\$1,507</b>	<b>25,351</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>88,728</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>9,633</b>	<b>244,210,606</b>	<b>\$14,605,536</b>	<b>N/A</b>	<b>N/A</b>
<b>Southwest Arkansas Electric Cooperative Corporation</b>					
Residential	22,178	313,791,872	\$23,205,702	\$1,046	14,149
Irrigation	0	0	0	0	0
Commercial	1,509	31,282,188	2,219,704	1,471	20,730
Industrial	185	245,292,159	11,383,799	61,534	1,325,904
Public Authority	445	5,598,223	\$431,156	\$969	12,580
<b>Totals Retail</b>	<b>24,317</b>	<b>595,964,442</b>	<b>\$37,240,361</b>	<b>\$1,531</b>	<b>24,508</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>602,557</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>24,317</b>	<b>595,964,442</b>	<b>\$37,842,918</b>	<b>N/A</b>	<b>N/A</b>
<b>Southwestern Electric Power Company</b>					
Residential	88,388	1,017,380,769	\$67,866,470	\$768	11,510
Irrigation	0	0	0	0	0
Commercial	15,673	1,324,911,523	66,097,066	4,217	84,535
Industrial	852	1,603,245,410	65,550,473	76,937	1,881,743
Public Authority	171	11,413,060	1,600,446	9,359	66,743
<b>Totals Retail</b>	<b>105,084</b>	<b>3,956,950,762</b>	<b>\$201,114,455</b>	<b>\$1,914</b>	<b>37,655</b>
<b>Wholesale</b>	<b>2</b>	<b>1,096,932,849</b>	<b>51,370,957</b>	<b>25,685,479</b>	<b>548,466,425</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>11,623,529</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>105,086</b>	<b>5,053,883,611</b>	<b>\$264,108,941</b>	<b>N/A</b>	<b>N/A</b>

**Electric Companies - Arkansas Only**  
**Customers; kWh Sold; Revenues**  
**Year ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>kWh Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average kWh Per Customer</b>
<b>Woodruff Electric Cooperative Corporation</b>					
Residential	14,004	188,220,864	\$14,371,431	\$1,026	13,441
Irrigation	3,770	48,566,541	4,467,830	1,185	12,882
Commercial	690	54,123,328	3,742,105	5,423	78,440
Industrial	7	60,359,920	2,810,357	401,480	8,622,846
Public Authority	10	348,080	33,019	3,302	34,808
<b>Totals Retail</b>	<b>18,481</b>	<b>351,618,733</b>	<b>\$25,424,742</b>	<b>\$1,376</b>	<b>19,026</b>
<b>Wholesale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>375,802</i>	<i>N/A</i>	<i>N/A</i>
<b>TOTALS</b>	<b>18,481</b>	<b>351,618,733</b>	<b>\$25,800,544</b>	<b>N/A</b>	<b>N/A</b>
 <b>Industry Totals:</b>					
<b>Retail</b>	<b>1,251,953</b>	<b>37,383,222,833</b>	<b>\$2,095,055,108</b>	<b>\$1,673</b>	<b>29,860</b>
<b>Wholesale</b>	<b>64</b>	<b>25,199,833,442</b>	<b>870,081,900</b>	<b>13,595,030</b>	<b>393,747,398</b>
<i>Other Revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>51,243,560</i>	<i>N/A</i>	<i>N/A</i>
 <b>INDUSTRY TOTALS</b>	 <b>1,252,017</b>	 <b>62,583,056,275</b>	 <b>\$3,016,380,568</b>	 <b>N/A</b>	 <b>N/A</b>

**Gas Companies - Arkansas Only  
Plant Investment; Operating Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>Plant Investment</b>	<b>Operating Revenues</b>	<b>Ratio (%) Operating Revenues/Investment</b>
Arkansas Oklahoma Gas Corporation	\$74,644,330	\$58,022,729	78%
Arkansas Western Gas Company Northwest and Northeast Ark. Regions	230,210,792	137,355,986	60%
CenterPoint Energy Arkla	610,750,128	479,191,206	78%
<b>TOTALS</b>	<b>\$915,605,250</b>	<b>\$674,569,921</b>	<b>74%</b>

**Gas Companies - Arkansas Only  
Customers; Mcf Sold; Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>MCF Sold</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>	<b>Average MCF Per Customer</b>
<b>Arkansas Oklahoma Gas Corporation</b>					
Residential	41,621	2,988,400	\$26,551,445	\$638	72
Commercial	5,374	2,292,376	11,653,313	2,168	427
Industrial	43	5,663,677	16,928,549	393,687	131,713
Public Authority	2	22,311	167,618	83,809	11,156
<b>Totals Without Other Revenues</b>	47,040	10,966,764	\$55,300,925	\$1,176	233
Other Revenues	N/A	N/A	2,721,804	N/A	N/A
<b>TOTALS</b>	47,040	10,966,764	\$58,022,729	N/A	N/A
<b>Arkansas Western Gas Company - Northwest and Northeast Arkansas Regions</b>					
Residential	122,429	8,920,829	\$75,624,179	\$618	73
Commercial	16,332	6,054,523	44,502,273	2,725	371
Industrial	178	1,249,863	9,091,723	51,077	7,022
Public Authority	0	0	0	0	0
<b>Totals Without Other Revenues</b>	138,939	16,225,215	\$129,218,175	\$930	117
Other Revenues	N/A	N/A	8,137,811	N/A	N/A
<b>TOTALS</b>	138,939	16,225,215	\$137,355,986	N/A	N/A
<b>CenterPoint Energy Arkla</b>					
Residential	384,705	26,653,885	\$297,099,508	\$772	69
Commercial & Industrial	15,688	20,178,438	163,625,699	10,430	1,286
Public Authority	0	0	0	0	0
<b>Totals Without Other Revenues</b>	400,393	46,832,323	\$460,725,207	\$1,151	117
Other Revenues	N/A	N/A	18,465,999	N/A	N/A
<b>TOTALS</b>	400,393	46,832,323	\$479,191,206	N/A	N/A
<b>Industry Totals</b>					
<b>Without Other Revenues</b>	586,372	74,024,302	\$645,244,307	\$1,100	126
<b>INDUSTRY TOTALS</b>	586,372	74,024,302	\$674,569,921	N/A	N/A

**Incumbent Local Exchange Carriers (ILEC) - Arkansas Only**  
**Revenues and Access Lines**  
**Year Ended December 31, 2003**

Company	Revenues	Access Lines		
		Residential & Rural	Business	Total Lines
ALLTEL of Arkansas, Inc.	\$71,101,771	82,174	24,046	106,220
Arkansas Telephone Company, Inc.	3,618,707	7,209	1,582	8,791
Central Arkansas Telephone Cooperative	2,018,707	2,920	328	3,248
CenturyTel of Arkansas, Inc.	12,108,070	15,446	3,746	19,192
CenturyTel of Central Arkansas, LLC	54,174,195	68,145	15,085	83,230
CenturyTel of Mountain Home, Inc.	12,074,538	17,217	5,055	22,272
CenturyTel of Northwest Arkansas, LLC	54,341,199	100,534	29,195	129,729
CenturyTel of Northwest Louisiana, Inc.	127,477	303	44	347
CenturyTel of Redfield, Inc.	2,093,272	1,688	227	1,915
CenturyTel of South Arkansas, Inc	842,155	737	116	853
Cleveland County Telephone Company	2,913,231	3,231	538	3,769
Decatur Telephone Company	980,532	830	489	1,319
E. Ritter Telephone Company	2,088,930	3,798	1,040	4,838
Lavaca Telephone Company, Inc.	1,441,882	1,620	214	1,834
Madison County Telephone Company	2,673,859	3,165	691	3,856
Magazine Telephone Company	499,205	959	103	1,062
Mountain View Telephone Company	3,491,451	5,732	1,909	7,641
Northern Arkansas Telephone Company, Inc	8,155,706	6,315	1,527	7,842
Ozark Telephone Company of Missouri	23,290	115	17	132
Prairie Grove Telephone Company	6,699,259	8,387	1,413	9,800
Rice Belt Telephone Company, Inc	754,667	682	332	1,014
Scott County Telephone Co., Inc.	166,238	110	8	118
South Arkansas Telephone Company, Inc.	3,476,052	3,216	732	3,948
Southwest Arkansas Telephone Cooperative	3,785,284	5,310	582	5,892
Southwestern Bell Telephone, L.P.	507,068,661	529,340	297,477	826,817
Tri-County Telephone Company, Inc.	2,162,919	5,819	932	6,751
Valor Telecommunications of Texas, LP	3,945,278	12,997	4,386	17,383
Walnut Hill Telephone Company	4,333,366	4,709	1,044	5,753
Yelcot Telephone Company	2,791,362	3,104	1,075	4,179
Yell County Telephone Company	4,036,862	4,340	1,432	5,772
<b>TOTALS</b>	<b>\$773,988,125</b>	<b>900,152</b>	<b>395,365</b>	<b>1,295,517</b>



**Competitive Local Exchange Carriers (CLEC) - Arkansas Only**  
**Revenues and Access Lines**  
**Year Ended December 31, 2003**

Company	Revenues	Access Lines		
		Residential & Rural	Business	Total Lines
1-800-Reconex, Inc.	\$77,727	436	0	436
Advanced Telcom, Inc.	0	0	0	0
ALLTEL Communications, Inc.	32,345,997	2,909	55,998	58,907
Alticom, Inc.	5,222	2	12	14
Ameritel Arkansas, Inc.	0	0	0	0
Answer Ft. Smith, Inc.	0	0	0	0
AT&T Communications of the Southwest, Inc.	N/A	N/A	N/A	N/A
A-Tech Telecom, Inc.	9,072	51	0	51
Arkansas State Telephone	0	0	0	0
Baldwin, Larry Joe dba NEA Telecom	100,000	300	0	300
Basic Phone, Inc.	226,598	246	0	246
Bellerud Communications, LLC	2,461	44	0	44
BellSouth BSE, Inc.	0	0	0	0
Big River Telephone Company, LLC	20,434	0	0	0
BroadLink Telcom, LLC	0	0	0	0
Brooks Fiber Communications of Arkansas, Inc.	598,411	0	2,652	2,652
Budget Phone, Inc.	1,846,258	4,291		4,291
Business Telecom, Inc. dba BTI Telecom.Services	40,531	0	0	0
Buy_tel Communications, Inc.	0	0	0	0
CAT Communications International, Inc	174,006	350	0	350
CenturyTel Fiber Company II, LLC	0	0	0	0
CenturyTel Solutions, LLC	0	0	0	0
Comm South Companies, Inc.	387,704	369	0	369
Connect Communications Corporation	0	0	0	0
Covista, Inc.	9,906	0	0	0
Credit Loans, Inc.	13,081	38	0	38
dPi-Teleconnect, LLC	402,801	474	0	474
DSLnet Communications, LLC	0	0	0	0
DVC Enterprises, Inc. dba DVC Telecom	172,456	293	0	293
E. Ritter Communications, Inc.	67,702	7	603	610
Easton Telecom Services, L.L.C.	2,512	0	0	0
Ernest Communications, Inc.	0	0	0	0
Excel Telecommunications, Inc.	7,029,159	5,532	0	5,532
EZ Phone, Inc.	24,594	50	0	50
FamilyTel of Arkansas, LLC	0	0	0	0
Gateway Telcom, Inc.	0	0	0	0
Global Crossing Telemanagement, Inc.	0	0	0	0
HomeTel, Inc.	2,582,673	4,134	0	4,134
ICG Telecom Group, Inc.	0	0	0	0
IDT American Corporation	619,990	0	0	0
Intermedia Communications, Inc.	216,906	0	0	0
Ionex Communications South, Inc.	9,543	0	0	0

**Competitive Local Exchange Carriers (CLEC) - Arkansas Only**  
**Revenues and Access Lines**  
**Year Ended December 31, 2003**

Company	Revenues	Access Lines		
		Residential & Rural	Business	Total Lines
ITC Deltacom Communications, Inc.	\$670,156	0	0	0
KMC Data , LLC	0	0	0	0
KMC Telecom III, Inc.	0	0	0	0
KMC Telecom V, Inc.	0	0	0	0
Level 3 Communications, LLC	98,770	0	0	0
Liberty Phones, Inc.	89,684	350	5	355
MCImetro Access Transmission Services Company, LLC	14,702,587	41,163	209	41,372
McLeodUSA Telecommunications Services	1,360,572	50	980	1,030
Metro Teleconnect Companies, Inc	25,102	28	0	28
Metropolitan Tele Telecommunications of AR, Inc.	0	0	0	0
NII Communications, Inc.	0	0	0	0
Navigator Telecommunication, LLC	6,013,826	0	0	0
NetworkIP, LLC	0	0	0	0
New Access Communications LLC	2,629	0	0	0
New Edge Network, Inc.	0	0	0	0
Northeast Telecom, LLC	0	0	0	0
NOS Communications, Inc. dba Internet Business Association	106,275	1	42	43
NOW Communications, Inc.	18,414	24	0	24
Ntera, Inc.	0	0	0	0
NuVox Communications of Arkansas, Inc.	1,973,677	0	4,374	4,374
Payroll Advance, Inc.	201,072	490	0	490
Phone-Link, Inc.	36,031	100	0	100
Pinnacle Telecom, LLC	40,171	0	0	0
Preferred Carrier Services, Inc.	1,231	4	0	4
Premiere Network Services, Inc.	0	0	0	0
Qwest Interprise America, Inc.	0	0	0	0
Reliant Communications	0	0	0	0
Robert's Communications	249,072	323	10	333
Sage Telecom, Inc.	14,125,135	0	0	0
SBC Advanced Solutions, Inc.	8,740,742	0	0	0
Southern Telcom Network, Inc. dba STN Long Distance	823,533	1,084	1,761	2,845
Sprint Communications Company, LP	5,530,572	128	219	347
Suretel, Inc.	20,000	154	0	154
Syniverse Networks, Inc. fka TSI Telephone	0	0	0	0
Talk America, Inc	232,589	76	0	76
TCA Communications, Inc.	579,169	0	0	0
TelCove Investment, LLC	2,476,587	0	4,315	4,315
Tele-Save	43,938	0	62	62
Teligent, Inc.	789	0	0	0
Telson Communications, Inc.	0	0	0	0
The Phone Connection, Inc.	73,878	105	0	105
Thielepape, Harry dba State Discount Telephone	37,800	210	11	221

**Competitive Local Exchange Carriers (CLEC) - Arkansas Only**  
**Revenues and Access Lines**  
**Year Ended December 31, 2003**

Company	Revenues	Access Lines		
		Residential & Rural	Business	Total Lines
Universal Access, Inc.	\$0	0	0	0
Universal Telecom, Inc.	14,171	19	0	19
USCom Telehone, Inc.	78,070	0	0	0
Vantage Telecom, LLC	1,200,791	2,746	914	3,660
Valuelinx Corporation, Inc.	0	0	0	0
VarTec Telecom, Inc.	6,089,328	3,160	0	3,160
Verizon Select Services, Inc.	26,268	0	0	0
Victory Communications, Inc.	0	0	0	0
Western Communications, Inc. dba Logix Communications	201,087	0	302	302
World Lynx LLC	0	0	0	0
Xspedius Management of Little Rock, LLC	878,396	0	36,024	36,024
Xspedius Management Co. Switched Services, LLC	632,235	0	2,135	2,135
Z-Tel Communications, Inc.	866,017	1,584	343	1,927
<b>TOTALS</b>	<b>\$115,246,108</b>	<b>71,325</b>	<b>110,971</b>	<b>182,296</b>

**Interexchange Carriers (IXC)  
Private Pay Telephone Providers (PPTP)  
Arkansas Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>Arkansas Revenues</b>
01 Communications of Arkansas , LLC	\$0
360Networks (USA) Inc.	0
3U Telecom Inc.	0
X2Comm, Inc. dba Direct Connect Communications	0
A.R.C. Networks, Inc.	224
ACC National Long Distance Corp.	19,042
Acceris Communications Corporation	57,589
Access One, Inc.	40,775
Access Point, Inc.	9,451
ACCXX Communications, LLC	0
ACN Communication Services, Inc.	52,015
Adelphia Telecommunications, Inc.	155
Advanced Tel, Inc. dba Eatel	0
Advantage Telecommunications Corporation	127,503
Affinity Network, Inc. dba Horizon One Communications	0
Airnex Communications, Inc.	1,510
Alliance Group Services, Inc.	166
American Farm Bureau, Inc. dba The Farm Bureau Connection	206,894
American Long Lines, Inc.	993
American Telecommunications Systems, Inc.	4,034
Americatel Corporation dba 10123 Americatel	18,922
Amerivision Communications, Inc. dba Lifeline Communications, Inc.	190,509
Arkansas Payphones, Inc.	20,837
Artech, LLC	7,160
ASC Telecom, Inc.	47,696
Association Administrators, Inc.	522
Axces, Inc. dba Axces International	2,520
Axius, Inc. dba Axius Communications	0
BAK Communications, LLC	62
Beeline Long Distance	0
BCN Telecom, Inc. fka NUI Telecom, Inc.	7,721
Beierle, Ray, dba Reliable Communications, Inc.	57,057
Bell Atlantic Communications, Inc. dba Verizon Long Distance	699,165
Bellsouth Long Distance, Inc.	33,277
Big Planet Holdings, Inc	3,264
BridgeCom International, Inc.	0
Broadwing Communications Services, Inc.	353,373
BT Communications Sales LLC	0
Budget Call Long Distance, Inc.	0
Buehner-Fry, Inc. dba Resort Operator	14
Business Discount Plan, Inc.	18,770
Business Network Long Distance, Inc.	0

**Interexchange Carriers (IXC)  
Private Pay Telephone Providers (PPTP)  
Arkansas Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>Arkansas Revenues</b>
Buyers United, Inc.	\$2,282
Buzz Telecom Corporation	0
Call Processing, Inc.	83,749
Capsule Communications, Inc.	18,077
Casco Pay Phones	6,284
CenturyTel Long Distance, Inc.	11,611,624
CFL, L.L.C. dba CFL Payphones	1,104
Church, James Michael dba JMC Payphones	1,540
Cincinnati Bell Any Distance	272,430
Cinemark USA, Inc.	2,405
City of Faith Prison Ministries, Inc	324
City Tele Coin Company, Inc.	0
Claricom Networks, Inc.	13,515
Coast International, Inc.	684
Cognigen Networks, Inc.	0
Coleman Enterprises, Inc. dba Local Long Distance	2,629
Comcast Business Communications, Inc. dba Comcast Long Distance	11,048
Comdata Telecommunications Services	28,150
Communicate Technological Systems, LLC	152
Communigroup of Arkansas, Inc.	576,772
Communigroup of K.C., Inc. dba CGI	9,000
Comtech 21, LLC	2,622
Com-Tech Resources, Inc. dba Com-Tech Systems	37,886
Connect America Communications, Inc.	4,725
Consolidated Communications Operator Services, Inc.	0
Convergia Inc.	0
CTC Communications Corporation	5,812
Custom Teleconnect, Inc.	263,782
D.D.D. Calling, Inc.	197
Dial-Thru, Inc.	601
Dialaround Enterprises, Inc.	116,891
Direct One, L.L.C. dba One Rate L.D.	0
E. Ritter Long Distance, Inc. dba Ritter Long Distance, Inc	443,099
ECI Communications, Inc.	32
Econodial, LLC	10
Electric Lightwave, LLC	6,813
eMeritus Communications, Inc.	399,392
Encompass Communications, LLC	0
Enhanced Communications Group, LLC	29,152
Enhanced Communications Network, Inc.	1,340
Entrix Telecom, Inc.	0
Epixtar Communications Corporation	296

**Interexchange Carriers (IXC)  
Private Pay Telephone Providers (PPTP)  
Arkansas Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>Arkansas Revenues</b>
Global Communications Consulting Corporation	\$0
Global Crossing Telecommunications, Inc.	372,183
Global Crossing North America Networks, Inc.	0
Global Tel*Link Corporation	111,105
Globalcom, Inc.	16,455
Globcom, Inc.	0
Gold Line Telemanagement, Inc.	407
Go Solo Technologies, Inc.	184
Gray, Michael E.	8,496
GTC Telecom	9,226
GVC Telecommunications Consulting	0
Horizon Telecom, Inc. dba Horizon Telecom of Arkansas	0
Hunter, Jack L.	108,047
Infone LLC fka North by NortheastCom, Inc.	113
Infonet Telecommunications Corporation	9,034
Intellicall Operator Services, Inc.	335,123
Intercontinental Communications Group, Inc. dba Fusion Telecom	0
Interstate Telecommunications of Georgia, Inc.	9,740
Inter-Tel NetSolutions, Inc.	9,566
Jirehcom, Inc.	546
KDD America, Inc.	0
LCR Telecommunications, LLC	62,118
LDMI Telecommunications, Inc.	1,384
Least Cost Routing, Inc.	22,088
Legacy Long Distance International, Inc.	8,388
Lensing Scott Allen	731
Lightyear Communications, Inc.	230,038
Lightyear Telecommunications, LLC	0
Lindgren, David dba Coyote Call Payphones	1,222
Long Distance Consolidated Billing Co.	69
Long Distance Wholesale Club	0
Lotel, Inc. dba Coordinated Billing Services	29,163
Main Street Telephone Company	0
Matrix Telecom	9,670
MCI Worldcom Communications, Inc.	26,149,557
MCI Worldcom Network Services, Inc.	4,659,299
MG,LLC dba Tranzact	0
Midessa Communications Management Systems, Inc.	54,000
Miko Telephone Communications, Inc.	29,936
Morris, Neal R	1,800
Motion Telecom, Inc.	2,459
NATCO Technologies, Inc.	583,473

**Interexchange Carriers (IXC)  
Private Pay Telephone Providers (PPTP)  
Arkansas Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>Arkansas Revenues</b>
Teleconnect Long Distance Services and System Company dba Telcom*USA	\$1,222,458
Tele-Connect, Inc.	33,048
Teledias Communications, Inc.	0
Telefyne Incorporated	0
Teleglobe USA, Inc.	0
Telenational Communications, Inc.	994
Telephone Associates, Inc.	0
Telephone Company of Central Florida	218
Teletrust, Inc.	312,750
Telliss, LLC	801
TeleUno, Inc.	0
Telmex USA, LLC	0
Telrite Corporation	76
TLX Communications, Inc. dba Tel America Long Distance Service	2,938
T-Netix, Inc.	0
T-Netix Telecommunications Services, Inc.	696,237
Ton Services, Inc.	11,052
Total Call International, Inc.	19,312
Touch 1 Communications, Inc.	21,463
Touchtone Communications, Inc.	55,946
Tralee Telephone Company, LLC	0
Trans National Communications International, Inc.	76,181
Transcom Communications, Inc.	13,252
Transcommunications Incorporated	20,888
Tri-M Communications dba TMC Communications	7,562
TTI National, Inc.	744,766
U.S. Telcom Long Distance, Inc.	78,800
United Communications Hub, Inc.	0
United States Advanced Network, Inc.	83
United Systems Access Telecom, Inc.	390
Uni-Tel Communications Group, Inc.	28,054
Unity Communications, Inc.	16,936
USLD Communications, Inc.	736
US Lec Communications, Inc.	25,605
US South Communications, Inc.	14,214
USA Digital Communications, Inc.	9,192
Valor Telecommunications LD, LLC	209,887
Value-Added Communications, Inc.	0
WDT World Discount Telecommunications Corp.	65
West, Connie Payphones	0
Westel, Inc.	2,877
Wholesale Carrier Services, Inc.	18,607



**Interexchange Carriers (IXC)  
Private Pay Telephone Providers (PPTP)  
Arkansas Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>Arkansas Revenues</b>
WitTel Communications, LLC fka Williams Comm.	\$6,664,848
Winstar Communications, LLC	7,576
Working Assets Long Distance	49,025
XO Long Distance Services, Inc.	28,929
Yak Communications (America) Inc.	0
Zone Telecom, Inc.	25,402
TOTALS	\$102,941,530

**Water & Sewer Companies - Arkansas Only**  
**Plant Investment; Operating Revenues**  
**Year Ended December 31, 2003**

<b>Company</b>	<b>Plant Investment</b>	<b>Operating Revenues</b>	<b>Ratio (%) Operating Revenues/Investment</b>
Riviera Utilities of Arkansas	\$1,579,725	\$323,723	20.49%
Sebastian Lake Public Utility Company	315,954	63,328	20.04%
Shumaker Public Service Corporation	775,244	324,026	41.80%
United Water Arkansas	37,827,645	7,063,032	18.67%
<b>TOTALS</b>	<b>\$40,498,568</b>	<b>\$7,774,109</b>	<b>19.20%</b>

**Water & Sewer Companies - Arkansas Only  
Customers; Revenues  
Year Ended December 31, 2003**

<b>Company</b>	<b>No. of Customers</b>	<b>Revenues</b>	<b>Average Revenues Per Customer</b>
<b>Riviera Utilities of Arkansas, Inc.</b>			
Metered General	578	\$254,681	\$441
Unmetered General	1,302	54,528	42
Fire Protection	0	0	0
Other Customers	0	0	0
<b>Totals Without Other Revenues</b>	1,880	\$309,209	\$164
Other Revenues	N/A	14,514	N/A
<b>TOTALS</b>	1,880	\$323,723	N/A
<b>Sebastian Lake Public Utility Company</b>			
Metered General	90	\$63,328	\$704
Unmetered General	0	0	0
Fire Protection	0	0	0
Other Customers	0	0	0
<b>Totals Without Other Revenues</b>	90	\$63,328	\$704
Other Revenues	N/A	\$0	N/A
<b>TOTALS</b>	90	\$63,328	N/A
<b>Shumaker Public Service Corporation</b>			
Metered General	551	\$139,316	\$253
Unmetered General	0	0	0
Fire Protection	45	62,999	1,400
Other Customers	2	116,676	58,338
<b>Totals Without Other Revenues</b>	598	\$318,991	\$533
Other Revenues	N/A	5,035	0
<b>TOTALS</b>	598	\$324,026	N/A
<b>United Water Arkansas, Inc.</b>			
Metered General	18,678	\$6,801,860	\$0
Unmetered General	0	0	0
Fire Protection	148	77,516	524
Other Customers	2	179,755	89,878
<b>Totals Without Other Revenues</b>	18,828	\$7,059,131	\$375
Other Revenues	N/A	3,901	N/A
<b>TOTALS</b>	18,828	\$7,063,032	N/A
<b>Industry Totals Without Other Revenues</b>	21,396	\$7,750,659	\$362
<b>INDUSTRY TOTALS</b>	21,396	\$7,774,109	N/A

## APPENDIX C - RECEIPTS AND DISBURSEMENTS

### RECEIPTS

Utility Assessments	\$7,115,579.00
Pipeline Safety Assessments	521,478.00
Other Filing Fees	69,011.25
Federal Reimbursements	237,244.00
Refund to Expenditures-Prior Year	1,051.95
Refund to Expenditures-Current Year	5,103.89
 Total Receipts	 <u>\$7,949,468.09</u>
 Less 1.5% Treasury Fees	 <u>117,348.00</u>
 <b>Net Deposit</b>	 <b><u><u>\$7,832,120.09</u></u></b>

### DISBURSEMENTS

Regular Salaries	\$5,065,518.06
Group Insurance	332,640.00
Retirement	483,062.77
Federal Insurance Contributions	369,325.52
FICA-Agency Cost of Arcap	16,349.36
Postage	9,200.00
Freight & moving	7,209.63
Printing	1,732.50
Advertising & Clipping Service	16,668.93
Film Processing	608.35
Furniture & Equipment Maintenance	10,938.78
Vehicle Maintenance	6,699.03
Rent of Office Space	510,270.00
Rent of Furniture & Equipment	16,120.37
Lease of Pagers & Cell Phones	4,228.23
Rent Not Classified	17,464.07
Meals & Lodging	91,288.47
Mileage	809.84
Common Carrier	32,547.23
Other Travel	3,755.31
Commissioner Travel	31,331.17
Non-state employee travel	726.65

Educational Fees	26,513.13
Administrative Fees & Services	253,460.30
Reimbursable Expenditures	8,781.43
Court Reporter	14,158.11
Surety Bonds	30.00
Vehicle Insurance	10,026.00
Building & Contents Insurance	2,409.00
Centrex	59,209.89
Association Dues	37,550.00
Marketing & Redistribution Fees	15.00
Contract Labor	190.75
Vehicle Licenses	302.25
Credit Card Purchases	12,245.42
Office Supplies	85,077.21
Subscriptions & Publications	48,709.41
Food	891.50
Kitchen/Janitorial Supplies	1,428.53
Data Processing Supplies	2,696.55
Penalties	75.00
Purchase of Data Processing Software	25,365.71
Licenses and Permits	4,275.00
Workers Compensation Premium Tax	1,946.53
Major Repairs/Renovations	22,822.16
Capital Expenditures	<u>\$55,481.30</u>

<b>Total Disbursements</b>	<b><u><u>\$7,702,154.45</u></u></b>
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THE ARKANSAS PUBLIC SERVICE COMMISSION DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, SEX, RELIGION, AGE OR DISABILITY IN EMPLOYMENT OR IN THE PROVISION OF SERVICES.